



Handwritten notes

Marceil Morrell*
Assistant Vice President &
Associate General Counsel-East Area

Anthony P. Gillman*
Assistant General Counsel

Florida Region Counsel**
Kimberly Caswell
M. Eric Edgington
Ernesto Mayor, Jr.
Elizabeth Biemer Sanchez

* Certified in Florida as Authorized House Counsel
** Licensed in Florida

GTE SERVICE CORPORATION

One Tampa City Center
201 North Franklin Street (33602)
Post Office Box 110, FLTC0007
Tampa, Florida 33601-0110
813-483-2606
813-204-8870 (Facsimile)

October 19, 1998

Ms. Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re Docket No. 980696-TP
Determination of the cost of basic local telecommunications service,
pursuant to Section 364.025, Florida Statutes

Dear Ms. Bayo

Please find enclosed for filing an original and fifteen copies of GTE Florida Incorporated's Request for Confidential Classification regarding information included in its responses to Staff's Fourth Request for Production of Documents and Fourth Set of Interrogatories (No. 80d) in the above matter. Service has been made as indicated on the Certificate of Service. If there are any questions regarding this filing, please contact me at (813) 483-2617.

Very truly yours,

Kimberly Caswell
Kimberly Caswell

KC tas

Enclosures

A part of GTE Corporation

- ACK
- AFM _____
- AFM _____
- CAF _____
- CAF _____
- GTE _____
- EA _____
- LEK _____
- LIR _____
- GE _____
- REK _____
- SEC
- WAS _____
- OTH _____

Handwritten signature and stamp
DIVISION OF RECORDS

X-REF 10668-92
11637 OCT 19 98

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Determination of the Cost of)	Docket No. 980696-TP
Basic Local Telecommunications)	Filed October 19, 1998
Service Pursuant to Section 364.025,)	
Florida Statutes)	
<hr/>		

**GTE FLORIDA INCORPORATED'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Under Commission Rule 25-22.006, GTE Florida Incorporated (GTE) seeks confidential classification and a protective order for certain information included in GTE's responses to the Staff's Fourth Request for Production of Documents and Fourth Set of Interrogatories (No. 80d) (GTE earlier filed the required Notice of Intent to Request Confidential Classification for these items) While a ruling on the Request is pending, GTE understands that the information at issue is exempt from Florida Statutes section 119.07(1) and Staff will accord it the stringent protection from disclosure required by Rule 25-22.006(3)(d) (A highlighted, unredacted copy and a redacted copy of the confidential material were filed with the Notice of Intent to Request Confidential Classification)

All of the information for which GTE seeks confidential treatment falls with Florida Statutes section 364.183(3)(e), which defines the term, "proprietary confidential business information," to include "information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of information." If the information at issue were publicly disclosed, it would

CONFIDENTIAL DATE

11537 OCT 19 98

allow competitors to tailor their marketing, entry and expansion plans accordingly, avoiding much of the trial and error that is the hallmark of an openly competitive marketplace. In addition, some of the information covered by this Request is considered to be proprietary and confidential by GTE's third-party vendors, as well as by GTE.

In a competitive business, any knowledge obtained about a competitor can be used to the detriment of the entity to which it pertains, often in ways that cannot be fully anticipated. This unfair advantage skews the operation of the market, to the ultimate detriment of the telecommunications consumer. As such, it is essential for the Commission to afford confidential treatment to the information designated below. Please note that Bates-stamped pages 3768, 3793-3799, 3802, 3818-3819, and 4302-4305 are not confidential as they were so designated in GTE's Notice of Intent.

Bates-stamped page 3767, all dollar figures except for \$306.04, response to Staff's Fourth Set of Interrogatories, No. 80d. These numbers reflect the prices GTE pays for labor and poles under contracts with its vendors. Prices contained in contracts between GTE and its vendors are confidential (from the perspective of both GTE and its vendors) because their disclosure could disrupt GTE's relationships with its vendors and affect GTE's ability to continue to obtain favorable contract terms. If GTE is forced, through the regulatory process, to disclose contract terms it has

obtained from particular vendors for labor, material, or services, GTE's ability to successfully negotiate future contracts will be undermined. A vendor will be reluctant, for example, of giving GTE a lower price than it has given others if GTE may be compelled to publicly disclose that price. Disclosure of contract prices and terms could also be deemed a reason for immediate termination of contracts in some cases. This result could harm GTE's ability to provide service to its customers. To avoid negative effects for GTE and the markets in which the vendors involved operate, the Commission should afford confidential treatment to the material at issue.

Bates-stamped page 3789-90, all access line count columns. These pages show the number of residence, business single-line, business multiline, special access, total business and total access lines for each of GTE's wire centers. This information is confidential because it would permit a competitor to know which services could best be marketed to which areas in GTE's serving territory and which kinds of services would likely be most profitable. This would be an unfair advantage for GTE's actual and potential competitors and would undermine the efficient operation of the market.

Bates-stamped pages 3791-92, all access line count columns. These pages show GTE's switching investments by wire center. With this specific, geographically

detailed information, GTE's actual and potential competitors would be able to determine which areas of GTE's serving territory are most expensive to serve. They could thus discern, without the usual market trial and error, which geographic markets would be most profitable to enter. This advantage would be patently unfair and inimical to open competition.

Bates-stamped page 3800, GTE Input Values for freight, sales tax, provisioning, minor materials, total material loading, and engineering, and the numbers under Base Price, Mat Loadin, Base + MLoad, Tot. Mat, and Placing (except for Spacing number); page 3801, all Non-Joint Cost numbers, all Joint Cost numbers, Normal Composite Cost numbers, except for the \$786.81 figures for composite base cost and the 53.58% telco assigned number, Soft Rock Adder numbers, Hard Rock Adder numbers, Soft Rock Composite Cost numbers, except for the \$786.81 composite cost number and the 53.58% assigned telco number, and Hard Rock Composite Cost numbers except for the \$1057.26 composite base cost number and the 54.52% assigned telco number, GTE Input Values for freight, sales tax, provisioning, and engineering, and all numbers in the columns for Base Cost, Freight, Sales Tax, Provisioning, Eng Cost, Total Mat., and Placing Cost, page 3803, all numbers under "GTE Input Values-Florida" except for the \$143.05 Total Cost, page 3804, all numbers except for the \$143.05 base cost per unit number that appears three times; page 3805, all numbers except those in the BCPM and GTE

Total columns, page 1806, all GTE Inputs for BCPM31, except for the numbers in the Total Normal, Total Soft Rock and Total Hard Rock columns; and all number except the Total Cost figure of \$1.39 in the Conduit chart. Knowledge of these GTE-specific input values could allow a competitor to derive reasonably precise estimates of GTE's labor and materials costs for the activities reflected. These vendor prices are confidential for the reasons set forth above in conjunction with Bates-stamped page 3767.

Bates-stamped pages 3807-3811, all price numbers under the Matl Type atl Price column. These are the prices for various types and sizes of fiber and copper cable. Again, these prices derive from GTE's contracts with its vendors. These numbers are thus confidential for the same reasons set forth above in conjunction with page 3767.

Bates-stamped pages 3812-3814. All numbers in all columns, except for those in the columns labeled bcpm, pairs, tot(w-spl). These are GTE's cable costs by cable type. Again, these numbers are confidential because they reflect prices in GTE's contracts with its vendors. These numbers are thus confidential for the same reasons set forth in conjunction with page 3767.

Bates-stamped page 3815, all numbers above the chart and all columns on the

chart except the first, second, and last. These are GTE's cost for Outdoor SA1/Cross Connector. They are confidential for the same reasons set forth in conjunction with page 3767.

Bates-stamped page 3816, all numbers above the chart except for the \$35.07 and \$57.78 COE Maint/Install and COE Engineer/Planner figures, all of the numbers in the columns on the chart except for the first, second, third, tenth and eleventh, and all numbers in the Remote Terminal DLC chart except for those in the BCPM and Total Costs columns; page 3817, all numbers in the chart except for those in the first, second, and last columns. These are DLC-related inputs from which competitors could derive reasonable precise estimates of GTE's vendor prices. These numbers are thus confidential for the same reasons set forth in conjunction with page 3767.

Bates-stamped pages 4306-4350. All of the columns (except for column headings) and all of the lines on these pages are confidential. These are detailed inputs by wire center, including density, lines, density zone figures, and the like by specified geographic area. GTE considers any such detailed, geographically specific information to be confidential as it can help reveal to competitors the characteristics that may make some areas more lucrative to serve than others.

Bates-stamped page 4353, all numbers except for those under the Tot. Cost, Normal, Soft Rock, and Hard Rock columns; page 4354, all numbers except for the Total Cost figure of \$143.05. These input values numbers reveal GTE's contract prices with its vendors. They are confidential for the reasons set forth in conjunction with page 3767.

Bates-stamped pages 4355-4356. These pages show GTE's access line counts by wire center for residence, business single-line, business multiline, special access, total business, and total access lines. These figures are confidential for the reasons set forth in conjunction with pages 3789-3790, above.

Bates-stamped pages 4357-4358, all numbers in the columns entitled actual lines, HM/actual, and 1-(HM/act). GTE's line count numbers by wire center are confidential for the reasons explained in conjunction with pages 3789-3790. In addition to the actual lines column itself, the HM ratio and 1-HM ratios are confidential because they can be used to derive the actual line counts by wire center.

Respectfully submitted on October 19, 1998.

By: Anthony P. Kallin
Kimberly Caswell
P. O. Box 110, FLTC0007
Tampa, Florida 33601
Telephone: 813-483-2517

Attorney for GTE Florida Incorporated

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of GTE Florida Incorporated's Request for Confidential Classification regarding its responses to Staff's Fourth Request for Production of Documents and Fourth Set of Interrogatories in Docket No. 980696-TP were sent via overnight delivery on October 16, 1998(*) and U.S. mail on October 19, 1998 to the parties on the attached list.


Kimberly Caswell

William P. Cox, Staff Counsel*
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Office of Public Counsel
c/o The Florida Legislature
111 W. Madison Street
Room 812
Tallahassee, FL 32399-1400

Michael A. Gross
Assistant Attorney General
Office of the Atty General
PL-01 The Capitol
Tallahassee, FL 32399-1050

David B. Erwin
Attorney-At-Law
127 Riversink Road
Crawfordville, FL 32327

Charles Rehwinkel
Sprint-Florida Inc.
1313 Blair Stone Road
MC FLTH00107
Tallahassee, FL 32301

Nancy White
BellSouth Telecomm. Inc.
150 S. Monroe Street
Suite 400
Tallahassee, FL 32301-1556

Jeff Wahlen
Ausley & McMullen
227 S. Calhoun Street
Tallahassee, FL 32301

Tracy Hatch/Marsha Rule
AT&T
101 N. Monroe Street, #700
Tallahassee, FL 32301

Richard Melson
Hopping Law Firm
P. O. Box 6526
Tallahassee, FL 32314

Peter Dunbar/Barbara Auger
Pennington Law Firm
P. O. Box 10095
Tallahassee, FL 32302

Thomas Bond
MCI Telecomm. Corp.
780 Johnson Ferry Rd., #700
Atlanta, GA 30342

Benjamin Fincher
Sprint
3100 Cumberland Circle
Atlanta, GA 30339

Floyd R. Self
Norman H. Horton, Jr.
Messer Law Firm
215 S. Monroe Street, Suite 701
Tallahassee, FL 32301-1876

Brian Sulmonetti
WorldCom, Inc.
1515 S. Federal Highway
Suite 400
Boca Raton, FL 33432

Carolyn Marek
Time Warner Comm
P. O. Box 210706
Nashville, TN 37221

James C. Falvey
e.spire™ Communications, Inc.
133 National Business Parkway
Suite 200
Annapolis Junction, MD 20701

Laura L. Gallagher
Florida Cable Tele. Assn
310 N. Monroe Street
Tallahassee, FL 32301

Lynne G. Brewer
Northeast Florida Tel. Co.
P. O. Box 485
Macclenny, FL 32063-0485

Harriet Eudy
ALLTEL Florida, Inc.
P. O. Box 550
Live Oak, FL 32060

Lynn B. Hall
Vista-United Telecomm.
P. O. Box 10180
Lake Buena Vista, FL 32830

Robert M. Post, Jr.
P. O. Box 277
Indiantown, FL 34956

Tom McCabe
P. O. Box 189
Quincy, FL 32353-0189

Mark Ellmer
P. O. Box 220
502 Fifth Street
Port St. Joe, FL 32456

Kelly Goodnight
Frontier Communications
180 S. Clinton Avenue
Rochester, NY 14646

Steve Brown
Intermedia Comm. Inc.
3625 Queen Palm Drive
Tampa, FL 33619-1309

Ben Ochshorn
Florida Legal Services
2121 Delta Boulevard
Tallahassee, FL 32303

Suzanne Summerlin
1311-B Paul Russell Road
Suite 201
Tallahassee, FL 32301

Joseph A. McGlothlin
Vicki Gordon Kaufman
McWhirter Law Firm
117 S. Gadsden Street
Tallahassee, FL 32301