

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Citizens of the State ) DOCKET NO. 890190-TL  
of Florida to investigate SOUTHERN BELL )  
TELEPHONE AND TELEGRAPH COMPANY'S cost ) ORDER NO. 24529  
allocation procedures )  
) ISSUED: 5/14/91

ORDER GRANTING ORAL ARGUMENT ON  
RECONSIDERATION OF ORDER NO. 24429

On March 22, 1991, Southern Bell Telephone and Telegraph Company (the Company) filed a Request for Confidential Treatment and Motion for a Permanent Protective Order of Information Requested by the Audit Staff on March 1, 1991 (Request). The information in question has been assigned Document Number 2902-91 by this Commission. It consists of our staff's audit of the Company's Cost Allocation Manual. The Commission staff's audit was limited to the review of existing Southern Bell Company internal audits and Cooper & Lybrand's external audit work papers which underlie the Southern Bell Cost Allocation Manual certification for the FCC.

On April 3, 1991, the Office of Public Counsel (OPC) filed its Opposition to Southern Bell's Request for Confidential Classification and Motion for a Permanent Protective Order (Opposition). OPC argued that it was unclear from the Company's description of the materials, to what extent, if any, the information at issue related to internal audit controls and reports of internal auditors. OPC noted that Section 364.183(3) (b) specifies only that internal auditing controls and reports of internal auditors are proprietary, that from the information provided it was impossible to discern whether any of the information fits within that statutorily protected category, that the Company had not otherwise attempted to demonstrate how disclosure of the material would harm the ratepayers or the Company's operations, and that the Company's Request did not satisfy the requirements of Rule 25-22.006, Florida Administrative Code. The Company did not counter OPC's Opposition.

In Order Number 24429, issued April 25, 1991, the Prehearing Officer found that the Company's March 22, 1991, Request failed to meet the requirements of Rule 25-22.006(4)(a), Florida Administrative Code which provides that: "The utility . . . shall identify the page(s) and line(s) at which the confidential material is found and shall correlate the page(s) and line(s) identified

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with the specific justification proffered in support of the classification of such material." (emphasis added). This problem was compounded by the Company's failure to develop its arguments for confidentiality. The Request was denied in full based upon the inadequacy of the pleading and failure to comply with Rule 25-22.006(4)(a). The "all or none" posture was necessitated by the Company's failure to differentiate between which materials constituted internal versus external audits. The Prehearing Officer noted that, but for the insufficient pleading, it appeared that some of the material at issue would to be entitled to confidential treatment.

On May 6, 1991, the Company filed the instant Motion for Reconsideration to the Full Commission of Order No. 24429 and Request for Oral Argument (Motion). In its Motion, the Company makes additional arguments for the confidential treatment at issue and expands the short-hand arguments propounded in its initial Request. The Company requests oral argument concerning the material at issue because the confidentiality of the Coopers and Lybrand external audits and audit workpapers is of great importance to the Company and it wishes the opportunity to fully explain its arguments and to answer questions by the full Commission. Additionally, the Company has verbally agreed to submit a line by line specific justification for the material at issue so that the Commission might meaningfully consider the arguments.

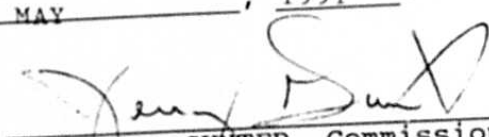
We find that oral argument is appropriate in this case and anticipate that the parties initially will address the appropriate scope of Reconsideration and then address the Company's arguments as they apply to a line by line examination of the material at issue.

Therefore, based on the foregoing, it is

ORDERED by Commissioner Gerald L. Gunter, as Prehearing Officer, that oral argument on Reconsideration of Commission Order Number 24429 is Granted.

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By ORDER of Commissioner Gerald L. Gunter, as Prehearing  
 Officer, this 14th day of MAY, 1991.

  
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 GERALD L. GUNTER, Commissioner  
 as Prehearing Officer

( S E A L )

CWM/ABG

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer

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utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.