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Legal Department

MARY K. KEYER
General Attorney

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Tallahassee, Florida 32301
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RECORDS AND
REPORTING

August 17, 1998

Mrs. Blanca S. Bayo
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

RE: Docket No. 980733-TL

Dear Mrs. Bayo:

Enclosed are an original and 15 copies of BellSouth Telecommunications, Inc.'s Objections to the Attorney General's Third Request for Production of Documents and First Set of Interrogatories. Please file these documents in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served on the parties shown on the attached Certificate of Service.

RECEIVED & FILED

Sincerely,

FPSC-BUREAU OF RECORDS

Mary K. Keyer
Mary K. Keyer

Enclosures

cc: All Parties of Record
A. M. Lombardo
R. G. Beatty
W. J. Ellenberg (w/o enclosures)

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FPSC-RECORDS/REPORTING

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Discovery for Study on Fair & Reasonable Rates and on Relationships Among Costs and Charges Associated with Certain Telecommunications Services Provided by LECs, as Required by Chapter 98-277.) Docket No.: 980733-TL
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) Filed: August 17, 1998

**BELLSOUTH TELECOMMUNICATIONS, INC.'S
 OBJECTIONS TO THE THIRD REQUEST FOR PRODUCTION OF
 DOCUMENTS AND FIRST SET OF INTERROGATORIES OF
THE ATTORNEY GENERAL**

BellSouth Telecommunications, Inc., ("BellSouth" or "Company"), hereby files, pursuant to Rule 25-22.034 and 25-22.035, Florida Administrative Code, and Rules 1.340 and 1.280(b), Florida Rules of Civil Procedure, the following Objections to the Third Request for Production of Documents and First Set of Interrogatories to BellSouth of the Attorney General ("Attorney General").

The objections stated herein are preliminary in nature and are made at this time for the purpose of complying with the ten-day requirement set forth in the procedural order issued by the Florida Public Service Commission ("Commission") in the above-captioned docket. Should additional grounds for objection be discovered as BellSouth prepares its responses and answers to the above-referenced requests and interrogatories, BellSouth reserves the right to supplement, revise, or modify its objections at the time that it serves its responses and answers. Moreover, should BellSouth determine that a Protective Order is necessary with respect to any of the requested material,

BellSouth reserves the right to file a motion with the Commission seeking such an order at the time that it serves its responses and answers.

GENERAL OBJECTIONS

BellSouth makes the following General Objections to the Attorney General's Third Request for Production of Documents and First Set of Interrogatories which will be incorporated by reference into BellSouth's specific responses when its responses and answers are served on the Attorney General.

1. BellSouth objects to the requests to the extent that such requests seek to impose an obligation on BellSouth to respond on behalf of subsidiaries, affiliates, or other persons that are not parties to this case on the grounds that such requests are overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules.

2. BellSouth has interpreted the Attorney General's requests to apply to BellSouth's regulated intrastate operations in Florida and will limit its responses and answers accordingly. To the extent that any request or interrogatory is intended to apply to matters other than Florida intrastate operations subject to the jurisdiction of the Commission, BellSouth objects to such request to produce or interrogatory as irrelevant, overly broad, unduly burdensome, and oppressive.

3. To the extent that the requests or interrogatories ask for revenue information, BellSouth objects as this information is not relevant to the verification of the cost data and analyses submitted by BellSouth in compliance with Chapter 98-277, General Laws of Florida. Nor is revenue information

related to the cost of providing residential basic local telecommunications service.

4. To the extent that the requests and interrogatories ask for information regarding business or deregulated services, BellSouth objects because such information is irrelevant to the cost of providing residential basic local telecommunications service.

5. To the extent that the requests or interrogatories require BellSouth to perform a separate study or analysis, BellSouth objects to providing such information as being outside the scope of the Commission Staff's original data request and as not being related to the verification of the cost data and analyses submitted by BellSouth in compliance with Chapter 98-277, General Laws of Florida.

6. To the extent that the requests or interrogatories ask for information relevant only to the cost of providing residential basic local telecommunications service in a rate base, rate of return environment, BellSouth objects to providing this information where price regulation applies.

7. BellSouth objects to each and every request, interrogatory, and instruction to the extent that such request, interrogatory, or instruction calls for information which is exempt from discovery by virtue of the attorney-client privilege, work product privilege, or other applicable privilege.

8. BellSouth objects to each and every request or interrogatory insofar as the request or interrogatory is vague, ambiguous, overly broad, imprecise, or utilizes terms that are subject to multiple interpretations but are not

properly defined or explained for purposes of these requests or interrogatories. Any responses or answers provided by BellSouth in response to the Attorney General's request and interrogatories will be provided subject to, and without waiver of, the foregoing objection.

9. BellSouth objects to each and every request or interrogatory insofar as the request or interrogatory is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action. BellSouth will attempt to note each instance where this objection applies.

10. BellSouth objects to the Attorney General's discovery requests, interrogatories, instructions and definitions, insofar as they seek to impose obligations on BellSouth that exceed the requirements of the Florida Rules of Civil Procedure or Florida law.

11. BellSouth objects to providing information to the extent that such information is already in the public record before the Florida Public Service Commission.

12. BellSouth objects to each and every request or interrogatory, insofar as it is unduly burdensome, expensive, oppressive, or excessively time consuming as written.

13. BellSouth objects to each and every request to the extent that the information requested constitutes "trade secrets" which are privileged pursuant to Section 90.506, Florida Statutes. To the extent that the Attorney General requests proprietary confidential business information which is not subject to the "trade secrets" privilege, BellSouth will make such information available to

counsel for the Attorney General pursuant to an appropriate Protective Agreement, subject to any other general or specific objections contained herein.

14. BellSouth is a large corporation with employees located in many different locations in Florida and in other states. In the course of its business, BellSouth creates countless documents that are not subject to Florida Public Service Commission or FCC retention of records requirements. These documents are kept in numerous locations that are frequently moved from site to site as employees change jobs or as the business is reorganized. Therefore, it is possible that not every document has been provided in response to these discovery requests. Rather, these responses provide all of the information obtained by BellSouth after a reasonable and diligent search conducted in connection with this discovery. BellSouth conducted a search of those files that are reasonably expected to contain the requested information. To the extent that the discovery request purports to require more, BellSouth objects on the grounds that compliance would impose an undue burden or expense.

15. In any instance in which BellSouth agrees to produce documents, they will be produced at a mutually agreeable time and place. In instances in which the documentation is so voluminous that copying or transporting the documents would be burdensome, BellSouth will make the documents available for review upon BellSouth's premises where the documents are located.

SPECIFIC OBJECTIONS TO REQUESTS FOR DOCUMENTS

BellSouth provides the following specific objections to the Attorney General's Third Request for Production of Documents:

1. BellSouth objects to the Attorney General's Request 6 to the extent the Attorney General asks for all of BellSouth's future responses provided in this proceeding. BellSouth is not aware of any provision in the Florida Rules of Civil Procedure or the Florida Administrative Code which allows the Attorney General to make a continuing request for future responses to requests not yet received by BellSouth. Should there be future requests served on BellSouth for which the Attorney General would like copies of BellSouth's responses, the Attorney General can request copies of those responses at that time with what is customarily referred to as a "me too" request. BellSouth will respond to any such request accordingly. The Attorney General, by making a continuing request such as this, attempts to place an undue administrative burden on BellSouth to track which parties should receive copies of what pleadings and documents in the future.

2. BellSouth objects to Request 9 as asking for information that is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence. See BellSouth's objection to Interrogatory 6 below and General Objection 4.

3. BellSouth objects to Request 12 insofar as it requests workpapers and other calculations which support BellSouth's answers to Interrogatory 9.c, d, e, and f, as being irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. See BellSouth's objection to Interrogatory 9.c, d, e, and f, and General Objection 3.

SPECIFIC OBJECTIONS TO INTERROGATORIES

BellSouth provides the following objections to the Attorney General's First Set of Interrogatories.

1. BellSouth objects to the information requested in Interrogatory 1.a as being irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Revenue information which is requested in this interrogatory is not relevant to the verification of the cost data and analysis submitted by BellSouth in compliance with Chapter 98-277, Laws of Florida. Nor is the information requested related to the cost of providing residential basic local telecommunications service. See General Objections 3 and 5.

2. BellSouth objects to Interrogatory 3.b to the extent that it requests information regarding revenues. See General Objection 3.

3. BellSouth objects to Interrogatories 5.b, c, d, and e as being irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. BellSouth will provide the allocation factors used in its study as requested in Interrogatory 5.a. The information requested in Interrogatories 5.b, c, d, and e, however, is irrelevant and speculative.

4. BellSouth objects to Interrogatory 6 and all of its subparts as being irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. The information requested in Interrogatory 6 pertains to deregulated services which is not relevant to the verification of the cost data and analyses submitted by BellSouth in this docket. The 1997 separations study requested in Part I, Request 3 of the June 19th Division of Auditing request, as referred to in

Interrogatory 6, pertained to intrastate only, not deregulated services. The information requested by the Attorney General for deregulated services is irrelevant to the cost of providing residential basic local telecommunications service. BellSouth has gone to great extremes to provide the relevant information requested in response to the numerous data requests served on BellSouth by the Division of Auditing. BellSouth believes the information which was provided is complete and should provide the Commission with the information necessary to complete its study and formulate a report to the legislature regarding fair and reasonable rates for Florida's customers.

5. BellSouth objects to the information requested in Interrogatory 7 by the Attorney General as being irrelevant and not reasonably calculated to lead to the discovery of admissible evidence in this case. The information requested by the Attorney General relates to deregulated services. As stated above, and specifically with regard to Interrogatory 7, the revenues, expenses, plant in service and net investment for deregulated service has no effect on customer rates and are irrelevant to the purpose of the fair and reasonable rates docket established by the Public Service Commission. This interrogatory appears to be nothing more than a fishing expedition for information which has no relevancy to the issues before the Commission in this docket.

6. BellSouth objects to the information requested in Interrogatories 9.c, d, e, and f as being irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. BellSouth has provided in its many filings in this docket the data used in its studies. The Attorney General's request in this

interrogatory asks for information based on hypothetical situations which have not occurred in this case. Such requests are irrelevant. Furthermore, Interrogatory 9.e and f ask for information that is not relevant to verifying the cost data and analyses submitted by BellSouth in this case. The data BellSouth has provided was provided in compliance with Commission Rules.

7. BellSouth objects to Request 19 and 21 as asking for information outside the scope of study as defined by the Public Service Commission and as requiring BellSouth to conduct additional contribution analyses not required by the Commission.

8. BellSouth objects to Request 20 as being irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. See General Objection 3.

9. BellSouth objects to Request 23.a, b, and d as being irrelevant in that the request asks for information regarding interstate revenues. See General Objections 2 and 3.

Respectfully submitted this 17th day of August, 1998.

BELLSOUTH TELECOMMUNICATIONS, INC.

Robert G. Beatty

ROBERT G. BEATTY

NANCY B. WHITE

c/o Nancy Sims

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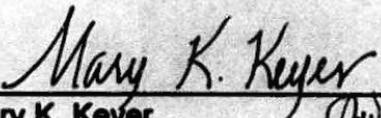
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CERTIFICATE OF SERVICE
Docket No. 980733-TL

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Hand-Delivery this 17th day of August, 1998, to the following:

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



Mary K. Keyer (PK)