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January 25, 1999

BY HAND DELIVERY

Blanca Bayó
Director, Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

990000-70

RECORDS AND
REPORTING

99 JAN 25 PM 1:52

RECEIVED-FPSC

Re: Request for Confidential Classification --
Bureau of Regulatory Review Project RR-98-03-004

Dear Ms. Bayó:

Enclosed for filing on behalf of MCI Telecommunications Corporation are:

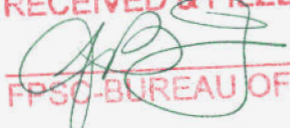
- 1) the original and ten copies of MCI's Claim of Confidentiality and Request for Confidential Classification; 00983-99
- 2) two redacted copies of the material for which confidentiality is claimed; and
- 3) one highlighted copy of the material for which confidentiality is claimed, enclosed in an sealed envelope marked "CONFIDENTIAL". 00984-99

By copy of this letter, the request and a copy of the redacted material has been furnished to Lisa Harvey of the Bureau of Regulatory Review and Martha Brown of the Division of Legal Services.

If you have any questions regarding this filing, please call.

RECEIVED & FILED

FPSC-BUREAU OF RECORDS



Very truly yours,



Richard D. Melson

990000 - 70

In re: Review of MCI's PIC
Change Process
_____)

) Project: RR 98-03-004
)
) January 25, 1999

**MCI's CLAIM OF CONFIDENTIALITY AND
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

MCI Telecommunications Corporation (MCI) hereby files, pursuant to Section 364.183, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, its Claim of Confidentiality and Request for Confidential Classification. In support thereof, MCI states as follows:

1. As a result of a settlement approved by Order No. PSC-98-0751-FOF-TP, the Staff of the Bureau of Regulatory Review of the Florida Public Service Commission has conducted a focused audit of MCI's primary interexchange carrier (PIC) change process. During the course of that audit, which was assigned Project Number RR-98-03-004, the Staff obtained various items of information from MCI which constitute proprietary confidential business information of MCI. Staff has prepared and provided MCI with a copy of its draft audit report, the text of which includes certain of that confidential information. This claim and request is being filed to preserve the confidentiality of the proprietary information included in the audit report.

2. MCI first claims confidentiality for the information identified below pursuant to Section 364.183(1), Florida Statutes. Under the statute, this claim of confidentiality is sufficient, without more, to require that this information be kept confidential and to exempt it from the provisions of the Section 119.07(1), Florida Statutes, and Section 24(a), Article I of the Florida

Constitution

00984-99

This request for confidentiality was filed by or on behalf of a telecommunications company in an Undocketed matter. No ruling is required unless the material is subject to a request per 119.07, FS. To view the material, you must obtain written authorization from the director of the division that requested it.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

3. Without waiving its claim of absolute entitlement to confidentiality under Section 364.183(1), Florida Statutes, MCI additionally files its request for confidential classification pursuant to the provisions of Rules 25-22.006(4) and 25-22.006(5), Florida Administrative Code for the information identified below. Pursuant to Rules 25-22.006(4)(c) and (5)(a), MCI has included three attachments with this filing:

(a) Attachment A is a listing of the specific items of information for which confidentiality is claimed.

(b) Attachment B contains two copies of the relevant pages from the draft audit report with the confidential information deleted.

(c) Attachment C is a sealed envelope containing one copy of the relevant pages from the draft audit report on which the confidential information has been highlighted.

4. As detailed on Attachment A, the audit report contains proprietary confidential business information of MCI, including both trade secret information and information relating to MCI's competitive interests, the public disclosure of which would impair the competitive business of MCI. The material for which confidential classification is sought is intended to be and is treated by MCI as private, and has not been publicly disclosed. Therefore, such information qualifies for classification as proprietary, confidential business information pursuant to Section 364.183(3)(a) and/or (e), Florida Statutes. Accordingly, it should be redacted from any publicly available copies of the audit report and should be held exempt from the public disclosure requirements of Section 119.07, Florida Statutes.

5. The original of this Claim and Notice has been filed with the Division of Records and Reporting, and a copy has been served on the Chief of the Bureau of Regulatory Review.

WHEREFORE, for the reasons stated above and in Attachment A, MCI requests that the information identified in the attachments be accorded confidential treatment as proprietary confidential business information of MCI, and that the identified information be redacted from any publicly available copies of the audit report entitled "Review of MCI's PIC Change Process."

RESPECTFULLY SUBMITTED this 25th day of January, 1999.

HOPPING GREEN SAMS & SMITH, P.A.

By: Richard D. Melson

Richard D. Melson

P.O. Box 6526

Tallahassee, FL 34314

(850) 425-2313

Attorneys for MCI

ATTACHMENT A

ITEM	LOCATION	JUSTIFICATION FOR CONFIDENTIALITY
1	Page 25, line 2	The number on line 2 discloses the percentage of MCI's total Florida installations during the first four months of 1998 which included intraLATA services. This number depicts MCI's competitive focus on this emerging market, and it describes MCI's results. This would be highly valuable competitive information for the monopoly LECs and would unfairly aid their win-back marketing efforts. The disclosure of this information would therefore impair MCI's competitive business interests.
2	Page 26, lines 28-34	The numbers on lines 28-34 disclose the percentage of MCI's residential sales by sales channel. These numbers represent valuable information about how MCI targets its marketing efforts by sales channel. The disclosure of this information would impair MCI's competitive business interests.
3	Page 26, Exhibit 6	This exhibit shows the same information as Item 2 in graphic form and the confidentiality justification above applies to this item.
4	Page 27, lines 5-7	The numbers on lines 5-7 disclose the same sales channel information as in Item 2, except for small business customers instead of residential customers. The confidentiality justification in Item 2 applies to this item.
5	Page 27, Exhibit 7	This exhibit shows the same information as Item 4 in graphic form and the confidentiality justification above applies to this item.
6	Page 29, line 15	The dollar figure on this line estimates the total compensation paid to MCI sales representatives in sales commissions and incentives. This number represents valuable information about a specific item of MCI's sales costs and would give a competitor unwarranted insight into MCI's compensation cost structure. The disclosure of this information would therefore impair MCI's competitive business interests.

ITEM	LOCATION	JUSTIFICATION FOR CONFIDENTIALITY
7	Page 33, lines 29-32 and Page 35, lines 1-6.	The numbers and percentage figures on these lines disclose the number of MCI's sales on a nationwide basis which are canceled as a result of third party verification (TPV) and the percentage of cancellations by sales channel. These numbers can be used to infer the relative success of MCI's marketing efforts through various sales channels. Disclosure of this information would impair MCI's competitive business interests.
8	Page 35, Exhibit 9	This exhibit shows the same information as Item 7 in graphic form and the confidentiality justification above applies to this item.
9	Page 34, various places in flow chart	In several places the flow chart depicts the name of MCI's TPV vendor. This information is competitively sensitive and its disclosure could impair the efforts of MCI to contract for services on favorable terms.
10	Page 36, lines 23-28	This information shows the number of Safety Net calls per month, the percentage of such calls generated by outbound telemarketing, and the percentage of sales saved through the Safety Net process. This information relates to MCI best practices that give MCI a competitive advantage. It constitutes both trade secret information and information which, if disclosed, would impair MCI's competitive business interests.
11	Page 40, line 16	The number on line 16 shows the total number of employee escalations on a nationwide basis for the first six months of 1998. If disclosed, this nationwide number could be used by MCI's competitors in a way that would impair MCI's competitive business interests.