

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Determination of Prices)
of Certain Unbundled Network Elements.) Case No. TO-2002-397

SOUTHWESTERN BELL TELEPHONE COMPANY'S REPLY

Southwestern Bell Telephone Company¹ respectfully submits the following in reply to IP Communications of the Southwest's April 17, 2002 filing:

1. IP continues to claim that the Commission's Standard Protective Order is "not workable" and "discriminate[s] between litigants." IP is incorrect. The Commission and the parties from the various utility fields that practice before it have employed the Commission's Standard Protective Order for many, many years to ensure that information can be disclosed in regulatory proceedings in ways that protect the legitimate business interests of a party and allow the Commission to make appropriate decisions. It is precisely this Standard Protective Order that has enabled the process to work.

2. As the Commission is aware, there have been rare occasions where it has been appropriate for Southwestern Bell to provide highly confidential cost study data to a small group of internal CLEC regulatory employees during UNE cost proceedings. To make this accommodation, Southwestern Bell has entered into a separate, supplemental nondisclosure agreement with the CLEC to put appropriate safeguards in place to support this limited access to highly confidential cost study information. Southwestern Bell is willing to do so again in this case as appropriate.

¹ Southwestern Bell Telephone, L.P., d/b/a Southwestern Bell Telephone Company, will be referred to in this pleading as "Southwestern Bell" or "SWBT."

3. IP's proposal, however, to jettison the Commission's Standard Protective Order is irresponsible and fails to meet Southwestern Bell's and other companies' legitimate needs to avoid improper disclosure of highly confidential, private business information. The need for the Standard Protective Order and the Commission's continued vigilance in this area has become even more critical given the existence of competition in the market, which continues to grow. The Standard Protective Order should not be weakened to potentially allow a party to misuse the regulatory process to obtain confidential business information of other parties for its own competitive gain.

4. IP's claim that continued use of the Commission's Standard Protective Order discriminates between litigants is rebutted by its own admission that Southwestern Bell entered into a supplemental nondisclosure agreement with IP in the TO-2001-439 case. With respect to the TO-2001-438 case, Southwestern Bell is unaware of any request by IP of any highly confidential cost study information that would give rise to a need for a supplemental nondisclosure agreement (IP submitted no data requests pertaining to cost study information to SWBT in that case). And with respect to the TO-2001-440 case, the Phase 2 cost portion of that case has been suspended, making any need for a supplemental nondisclosure agreement premature.

5. IP also suggests that it is necessary to abandon the Commission's Standard Protective Order in favor of one that IP has proposed in this case in order to decrease litigation in this area. This claim, too, is incorrect. As the Commission is aware, its Standard Protective Order has been utilized in thousands of cases over the years, and almost always without significant dispute between the parties. And it has only been with

parties like IP that have refused to accept the Commission's Standard Protective Order that any material litigation over the Standard Protective Order has occurred.

WHEREFORE, Southwestern Bell respectfully requests the Commission to deny IP's motion to adopt its own version of a protective order, and instead to issue an Order adopting the Commission's Standard Protective Order.

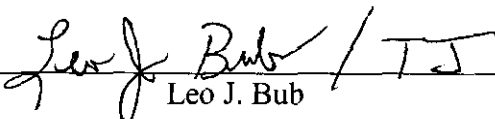
Respectfully submitted,

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CERTIFICATE OF SERVICE

Copies of this document were served on the following parties by e-mail and first-class, postage prepaid, U.S. Mail or via hand-delivery on April 26, 2002.


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