

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of an Investigation of the Actual Costs
Incurred in Providing Exchange Access Service and
The Access Rates to be Charged by Competitive Local
Exchange Telecommunications Companies in the
State of Missouri.

Case No. TR-2001-65

REPLY OF SOUTHWESTERN BELL TELEPHONE COMPANY
TO STAFF'S RESPONSE TO MOTION REQUESTING THE
ADOPTION OF A MODIFIED PROTECTIVE ORDER

COMES NOW Southwestern Bell Telephone L.P., d/b/a Southwestern Bell Telephone Company (Southwestern Bell), and for its Reply to Staffs Response to Motion Requesting the Adoption of a Modified Protective Order (Staffs Response), states to the Missouri Public Service Commission (Commission) as follows:

1. On May 3, 2002, AT&T Communications of the Southwest, Inc. and its TCG affiliate companies (AT&T) filed a Motion Requesting the Adoption of a Modified Protective Order. In its Motion, AT&T requested that the Commission discard its standard Protective Order, which has proven over many years to be effective in balancing the interests of varied parties participating in Missouri regulatory proceedings. AT&T requested that the Commission simply replace its standard Missouri Protective Order with a version of a protective order imported from Texas, which AT&T prefers. AT&T claims that the protection afforded Highly Confidential company-specific cost information by the Commission's standard Protective Order -- adopted by the Commission in this case on August 8, 2000 -- does not permit it to "participate equally and fully in this case."¹ AT&T's attack on the standard Missouri Protective Order is not

¹ AT&T Motion, par. 5.

limited to this case, however, as AT&T is also supporting the replacement of the Commission's standard Protective Order in other Missouri cases.²

2. On May 13, 2002, Staff filed its Response. In its Response, Staff simply states that it supports AT&T's Motion because "[A]llowing parties such as AT&T to review the cost studies used in this case will help achieve the purposes of the case."³ Staff also states that "it appears that the parties are unable to reach agreements that would allow the limited release of the highly confidential cost studies."⁴ Without conducting any substantive analysis of the differences between the AT&T proposal and this Commission's standard Protective Order (other than to propose Staff and OPC not be subject to the revised protective order), and without any discussion of the impact of such a radical departure from approved procedures, Staff simply proposes to give AT&T what it wants. Staff is wrong in its approach to this dispute and in its proposed resolution.

3. Staff does not question that the draft cost studies prepared by its consultant in this case, Ben Johnson and Associates, contain large amounts of company-specific and competitively sensitive cost information which has been appropriately designated "Highly Confidential" and which has been provided to Staff's consultant primarily by the three large incumbent LECs in Missouri, pursuant to the protections afforded such Highly Confidential data under the terms of the standard Protective Order. Nor does Staff mention in its Response that in the Commission's August 8, 2000, Order Establishing Case and Adopting Protective Order, the Commission specifically recognized the competitively sensitive nature of the cost data at issue in this case, and in addition to adopting its standard Protective Order, stated that "[P]arties are encouraged to

² See, Case No. TO-2002-397 and Case No. TC-2002-194.

³ Staff's Response, par. 2.

⁴ Id.

suggest such additional and further measures to protect proprietary and highly confidential information as they may believe are necessary."⁵ Nowhere did the Commission suggest that the competitively sensitive costing information, which has already been provided by Southwestern Bell and other parties in this case, should be subject to "fewer and lesser" protections than what is contained in the Commission's standard Protective Order, yet that is exactly what AT&T has proposed and Staff, without any analysis, now supports. Essentially, AT&T's proposal would result in the complete elimination of the "Highly Confidential" classification which is applicable to the most sensitive information, information Southwestern Bell (and other parties) have already provided to Staff's consultant in this case.

4. As Southwestern Bell pointed out in its Response to AT&T's Motion, the protections afforded by the Commission's standard Protective Order are particularly appropriate in this case, and do not preclude AT&T or any other party from effectively participating in this investigation case. Neither AT&T nor Staff has suggested to the Commission that the voluminous cost information Southwestern Bell and other incumbent local exchange carriers have already provided to Staff's consultant does not fit squarely within the definition of "Highly Confidential" data as defined in the Commission's standard Protective Order. In addition, AT&T and other parties to this case have the exact same access to this Highly Confidential information that Southwestern Bell has to other parties' Highly Confidential costing information. Under the terms of the Commission's standard Protective Order, Highly Confidential costing information can only be reviewed by "attorneys or outside experts who have been retained for the purpose of this case."⁶ Furthermore, under paragraph W of the Commission's Standard Protective Order, this limitation does not apply to Staff or Public Counsel. In previous cases

⁵ Order Establishing Case and Adopting Protective Order, p. 3 (issued August 8, 2000) (emphasis added).

⁶ Standard Protective Order, par. B.

before the Commission involving Highly Confidential cost information, AT&T has typically utilized an outside expert to review such information, and counsel for AT&T has had no problem utilizing Southwestern Bell's Highly Confidential cost information to cross examine Southwestern Bell's witnesses.

5. If AT&T wishes to have a limited number of its internal cost witnesses review Southwestern Bell's Highly Confidential cost information for purposes of this case, Southwestern Bell has already offered to enter into a supplemental non-disclosure agreement with AT&T to permit such review. Any such review is limited to AT&T employees who certify that they are not involved in retail marketing, pricing, procurement or strategic analysis or planning. In fact, Southwestern Bell has already entered into such an agreement with another party to this case. It is surprising that AT&T is criticizing this procedure -- and Staff is supporting AT&T's criticism -- when the procedure was developed by AT&T and Southwestern Bell to resolve a previous dispute over access to Highly Confidential data in AT&T's third interconnection arbitration, Case No. TO-2001-455. If Southwestern Bell's agreement to permit AT&T to have limited access to specified cost information in one case is considered grounds to discard the standard Protective Order in other cases, there is little incentive for Southwestern Bell to negotiate and agree to limited exceptions as sought by AT&T in its third arbitration case.

6. The Commission should not jettison its standard Protective Order in this case or other cases based on AT&T's inaccurate claim that it does not have sufficient access to Southwestern Bell's or any other party's Highly Confidential costing information. Staff -- which has no real stake in this argument since it proposes to exclude itself from the provisions of AT&T's proposal, has no "Highly Confidential" costing data of its own, and has unfettered access to all Highly Confidential costing information provided by Southwestern Bell -- has

presented no analysis to support a Commission determination that scrapping the standard Missouri Protective Order and replacing it with a watered-down Protective Order imported from Texas is appropriate.

WHEREFORE, Southwestern Bell respectfully requests that the Commission deny AT&T's Motion Requesting the Adoption of a Modified Protective Order.

Respectfully submitted,

SOUTHWESTERN BELL TELEPHONE, L.P.

By Anthony K Conroy TM
PAUL G. L #27011
LEO J. BUB #34326
ANTHONY K. CONROY #35199
MIMI B. MACDONALD #37606
Attorneys for Southwestern Bell Telephone, L.P.
One SBC Center, Room 3516
St. Louis, Missouri 63 101
314-235-6060 (Telephone)
314-247-0014 (Facsimile)

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 May 22, 2002.


Anthony K. Conroy

Office of the Public Counsel
P.O. Box 7800
Jefferson City, MO 65102

Secretary of the PSC
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

Thomas R. Parker
GTE Midwest Inc. d/b/a Verizon
605 Monroe Street, Suite 304
Jefferson City, MO 65101

Craig S. Johnson
Andreck/Evans/Milne, et al.
301 E. McCarty St., P.O. Box 1438
Jefferson City, MO 65102

Mary Ann Carr Young
P.O. Box 104595
Jefferson City, MO 65110-4595

Brian T. McCartney/W.R. England I
Brydon, Swearngen & England PC
312 E. Capitol Ave., P.O. Box 456
Jefferson City, MO 65102-0456

Sheldon K. Stock
Greensfelder, Hemker & Gale, P.C.
10 S. Broadway, Suite 2000
St. Louis, MO 63102

Carl J. Lumley/Leland B. Curtis
Curtis, Oetting, Heinz, et al.
130 S. Bemiston, Suite 200
St. Louis, MO 63105

Stephen F. Morris
MCI Telecommunications Corp.
701 Brazos, Suite 600
Austin, TX 78701

Carol Keith
Gabriel Communications of Missouri
16090 Swingley Ridge Rd, Ste 500
Chesterfield, MO 63017

Paul H. Gardner
Goller, Gardner & Feather
131 East High Street
Jefferson City, MO 65101

Lisa C. Hendricks, Esq.
6450 Sprint Parkway, Bldg 14
Mail Stop KSOPHN0212-2A253
Overland Park, KS 66251

James M. Fischer, Esq.
Larry W. Dority, Esq.
101 Madison St., Suite 400
Jefferson City, MO 65101

Cass County Telephone Company
P.O. Box 398
260 West First Street
Peculiar, MO 64078

Citizens Telephone Company of
Higginsville Missouri
1905 Walnut
Higginsville, MO 64037

Craw-Kan Telephone Cooperative
200 N. Ozark
P.O. Box 100
Girard, KS 66743

Ellington Telephone Company
201 College Avenue
P.O. Box 400
Ellington, MO 63638

Farber Telephone Company
Main & Linn Streets
Farber, MO 63345

Fidelity Telephone Company
64 N. Clark Avenue
Sullivan, MO 63080

Goodman Telephone Company, Inc.
185 Oneida Avenue
P.O. Box 592
Seneca, MO 64865

Granby Telephone Company
P.O. Box 200
Granby, MO 64844

Grand River Mutual Telephone Corp.
1000 Kentucky Street
Princeton, MO 64673

Green Hills Telephone Corporation
7926 N.E. SR M
P.O. Box 227
Breckenridge, MO 64625

Holway Telephone Company
208 Ash Street
P.O. Box 112
Maitland, MO 64466

Iamo Telephone Company, Inc.
104 Crook Street
P.O. Box 368
Coin, IA 51636

Kingdom Telephone Company
211 S. Main
P.O. Box 97
Auxvasse, MO 64779

KLM Telephone Company
P.O. Box 30
Rich Hill, MO 64779

Lathrop and Gage
P.O. Box 167
Princeton, MO 64673

Le-Ru Telephone Company, Inc.
P.O. Box 147
Stella, MO 64867

Mark Twain Rural Telephone Comp
Highway 6 East
P.O. Box 68
Hurdland, MO 63547

Miller Telephone Company
209 E. Main Street
P.O. Box 7
Miller, MO 65707

New Florence Telephone Company
10 1 N. Main Street
P.O. Box 175
New Florence, MO 63363

New London Telephone Company
501 S. Main Street
P.O. Box 369
New London, MO 63459

Orchard Farm Telephone Company
5065 N. Highway 94
St. Charles, MO 63301

Oregon Farmers Mutual Telephone Co.
118 E. Nodaway
P.O. Box 227
Oregon, MO 64473

Ozark Telephone Company
8 10 Oneida Avenue
P.O. Box 547
Seneca, MO 64865

Peace Valley Telephone Company, Inc.
7 101 State Highway W
P.O. Box 9
Peace Valley, MO 64482

Rock Port Telephone Company
107 Opp Street
P.O. Box 147
Rock Port, MO 64482

Seneca Telephone Company
P.O. Box 329
Seneca, MO 64865

Spectra Communications Group, LLC
9200 Ward Parkway, Suite 600
Kansas City, MO 64114

Steelville Telephone Company
Highway T
P.O. Box 97
Stoutland, MO 65567

AccuTel of Texas, Inc.
7900 John W. Carpenter Freeway
Dallas, TX 75247

ACSI Local Switched Services, Inc.
131 National Business Pkwy, Suite 100
Annapolis, MD 20701

Adelphia Business Solutions Oper.
Main & Water Street
Coudersport, PA 16915

Allegiance Telecom of Missouri, In
1950 Stemmons Freeway, Suite 302
Dallas, TX 75207

Alltel Communications, Inc.
One Allied Drive
P.O. Box 2177
Little Rock, AR 72203

American Communication Services of
Kansas City, Inc.
131 National Business Pkwy, Suite 100
Annapolis Junction, MD 20701

AT&T Communications of the
Southwest
101 W. McCarty, Suite 216
Jefferson City, MO 65101

BarTel Communications, Inc.
333 Leffmgwell, Suite 101
St. Louis, MO 63122

Birch Telecom of Missouri, Inc.
2020 Baltimore Avenue
Kansas City, MO 64108

BroadStream Corporation
4513 Pin Oak Court
Sioux Falls, SD 57103

Business Telecom, Inc., d/b/a BTI
4300 Six Forks Rd., Suite 400
Raleigh, NC 27609

Buy-Tel Communications, Inc.
6409 Colleyville Blvd.
P.O. Box 1170
Colleyville, TX 76034

Camarato Distributing, Inc.
900 Camarato Drive
Herrin, IL 63948

Central Mo. Telecommunications, Inc.
P.O. Box 596
Osage Beach, MO 65065

Choctaw Communications, L.C., d/b/a
Smoke Signal Communications
1600 Viceroy
Dallas, TX 75235

Ciera Network Systems, Inc.
2630 Fountainview Drive, Suite 300
Houston, TX 77057

Comm S. Companies, Inc., d/b/a
Missouri Comm South, Inc.
6830 Walling Lane, P.O. Box 821269
Dallas, TX 75382

Computer Business Sciences, Inc.
80-02 Kew Gardens Rd., Suite 5000
Kew Gardens, NY 11415

Delta Phones, Inc.
105 Illinois Street
P.O. Box 784
Delhi, LA 71232

DMJ Communications, Inc.
2525 N. Grandview, Suite 900
Odessa, TX 79761

ExOp of Missouri, Inc.
303 N. Jefferson
Kearney, MO 64060

EZ Talk Communications, L.L.C.
4727 S. Main
Stafford, TX 74777

Fast Connections, Inc.
P.O. Box 130418
Dallas, TX 75313

Frontier Local Services, Inc.
1221 Nicollet Mall, Suite 300
Minneapolis, MN 55403

Frontier Telemanagement
180 S. Clinton
Rochester, NY 14646

Global Crossing Local Services, Inc.
1221 Nicollet Mall, Suite 300
Minneapolis, MN 55403

Green Hills Telecommunications Serv.
7926 N.E. SR M
Breckenridge, MO 64625

Intermedia Communications, Inc.
3625 Queen Palm Drive
Tampa, FL 33619

Ionex Communications, Inc.
5710 LBJ Freeway, Suite 215
Dallas, TX 75240

KMC Telecom III Inc.
1543 Route 206, Suite 300
Bedminster, NJ 07921

LDD, Inc.
24 S. Minnesota
Cape Girardeau, MO 63702

Level 3 Communications, LLC
1025 Eldorado Blvd.
Broomfield, CO 80021

Logix Communications Corp.
3555 NW 58th, Suite 900
Oklahoma City, OK 73112

Mark Twain Communications Co.
P.O. Box 128
Hurdland, MO 63547

Maxcom, Inc.
10647 Widmer Rd.
Lenexa, KS 66215

Max-Tel Communications, Inc.
102 W. Franklin
P.O. Box 280
Alvord, TX 76225

Missouri Telecom, Inc.
515 Cleveland, Suite C
P.O. Box 419
Monett, MO 65708

Navigator Communications, LLC
P.O. Box 13860
Little Rock, AR 72113

Net-Tel Corp., d/b/a Net-Tel
Communications Corp.
11921 Freedom Drive, Suite 550
Reston, VA 20190

NOW Communications, Inc.
713 Country Place Drive
Jackson, MS 39208

Omniplex Communications Group
17 Missouri Research Park Dr.
St. Charles, MO 63304

The Page Company
3030 East Truman Road
Kansas City, MO 64127

Preferred Carrier Service, Inc., d/b/a
Phones for All
14681 Midway Rd., Suite 105
Dallas, TX 75244

QCC, Inc.
8829 Bond Street
Overland Park, KS 66124

Quick-Tel Communications, Inc.
456 W. Rock Island
P.O. Box 196
Boyd, TX 76023

Quintelco, Inc.
1 Blue Hill Plaza
Pearl River, NY 10965

Reitz Rentals, Inc., d/b/a South West
TeleConnect
7000 Cameron Rd., Suite 200
Austin, TX 78752

Ren-Tel Communications, Inc.
1734 Highway 113 North
Carrollton, GA 30117

Simply Local Services, Inc.
2225 Apollo Drive
Fenton, MO 63026

Snappy Phone of Texas, Inc., d/b/a
Snappy Phone
6901 W. 70th St, P.O. Box 29620
Shreveport, LA 71129

Rebecca B. DeCook
AT&T Communications of Southwest
1875 Lawrence Street, Suite 1575
Denver, CO 80202

Sprint Communications Company,
8 140 Ward Parkway - 5E
Kansas City, MO 64114

Sterling International Funding, d/b/a
Reconex
P.O. Box 40
Hubbard, OR 97032-0040

Suretel, Inc.
5 N. McCormick
Oklahoma City, OK 73127

TCG Kansas City, Inc.
Teleport Communications Group
2 Teleport Drive, Suite 300
Staten Island, NY 10311

TCG St. Louis
Teleport Communications Group
2 Teleport Drive, Suite 300
Staten Island, NY 10311

Teligent, Inc.
8065 Leesburg Pike, Suite 400
Vienna, VA 22182

Tel-Link, LLC
1001 Third Avenue West, Suite 354
Bradenton, FL 34205

Tin Can Communications Co., LLC
1063 Wirt Rd., Suite 202
Houston, TX 77005

TranStar Communications, LLC
P.O. Box 2999
Harlingen, TX 78551

United States Telecommunications,
Inc., d/b/a Tel Corn Plus
13902 N. Dale Mabry, Suite 212
Tampa, FL 33618

Universal Telephone
2405 E. Pawnee, Suite 10
Wichita, KS 67211

USLD Communications, Inc.
4250 N. Fairfax Drive, Ste 12W002
Arlington, VA 22203

U.S. Telco, Inc., d/b/a 1-800-Recon
2500 Industrial Avenue
P.O. Box 40
Hubbard, OR 97032

Worknet Communications, Inc.
7777 Bonhomme Avenue, Suite 2000
St. Louis, MO 63105

2nd Century Communications, Inc.
7702 Woodland Center
Tampa, FL 33614

Advanced Telcom Group, Inc.
110 Stony Point Road, 2nd Floor
Santa Rosa, CA 95401

American Fiber Network, Inc.
9401 Indian Creek Parkway, Suite 140
Overland Park, KS 66210

Atlas Communications, Ltd.
482 Norristown Road, Suite 200
Blue Bell, PA 19422

Basicphone, Inc.
3512 Mockingbird, Suite D
Orange, TX 77630

BellSouthBSE, Inc.
32 Perimeter Center East
Atlanta, GA 30346

Bluestar Networks, Inc.
801 Crescent Center Drive, #600
Franklin, TN 37064

Broadband Office Communications
2900 Telestar Court, 2nd Floor
Falls Church, VA 22042

CapRock Telecommunications Corp.
15601 N. Dallas Parkway, Suite 700
Addison, TX 75001

CAT Communications Intem'l, Inc.
4142 Melrose Ave. N.W., Suite 25
Roanoke, VA 24107

C.C.O. Telecom, Inc.
7265 N. Oak Trafficway
Gladstone, MO 64118

CCCMO, Inc., d/b/a Connect!
124 W. Capitol, Suite 250
Little Rock, AR 72203

Compass Telecommunications, Inc.
7001 Scottsdale Rd., Suite 2000
Scottsdale, AZ 85250

Connectsouth Communications of
Missouri, Inc.
9600 Great Hills Trail
Austin, TX 78759

Convergent Communications Services
400 Inverness Drive South, Suite 400
Englewood, CO 80112

Cox Missouri Telecom LLC
231 E. 4th Street
P.O. Box 696
Carthage, MO 64836

Cypress Communications Operating
15 Piedmont Center, Suite 100
Atlanta, GA 30305

Dial & Save of Missouri, Inc.
8750 N. Central Expressway, Ste 1500
Dallas, TX 75231

Digital Broadcast Network Corporation
424 S. Woods Mill Rd., Suite 350
Chesterfield, MO 63017

Digital Teleport, Inc.
8112 Maryland Avenue, 4th Floor
St. Louis, MO 63105

dPi-Teleconnect LLC
2997 LBJ Freeway, Suite 225
Dallas, TX 75234

Eagle Communications Missouri, Inc.
60 E. 56th Street
New York, NY 10022

Essential.com, Inc.
3 Burlington Woods Drive, 4th Floor
Burlington, MA 01803

Everest Connections Corporation
5555 Winghaven Blvd.
O'Fallon, MO 63366

Excel Telecommunication Systems, Inc
8750 N. Central Expressway, Ste 2000
Dallas, TX 75231

Fairpoint Communications Solution
6324 Fairview Rd., Suite 400
Charlotte, NC 28210

Focal Communications Corp of
Missouri
200 N. LaSalle Street, Suite 800
Chicago, IL 60601

GE Capital Communications Services
d/b/a GE Exchange
6540 Powers Ferry Road
Atlanta, GA 30339

Group Long Distance, Inc.
400 E. Atlantic Blvd.
Pompano Beach, FL 33060-6200

GTE Communications Corp.
6665 N. MacArthur
Irving, TX 75038

HJN Telecom, Inc.
3235 Satellite Blvd, Bldg 400, Ste 300
Duluth, GA 30096

JATO Operating Corporation
1099 18th Street, Suite 2200
Denver, CO 80202

Kansas City Fiber Network, LP
111 Main Street, Suite 300
Kansas City, MO 64105

LDM Systems, Inc.
430 Park Avenue, 5th Floor
New York, NY 10022

Local Line America, Inc.
P.O. Box 4551
Akron, OH 44310

Maxcess, Inc.
100 W. Lucerne Plaza, Suite 200
Orlando, FL 32801

Megsinet-CLEC, Inc.
225 W. Ohio, Suite 200
Chicago, IL 60610

Metro Connection,
d/b/a Transamerican Telephone
209 E. University
Denton, TX 76201

MVX.com Communications, Inc.
100 Rowland Way, Suite 145
Novato, CA 94945

Onfiber Carrier Services, Inc.
11921 N. MO PAC Expwy, Suite 100
Austin, TX 78759

Onsite Access Local, LLC
1372 Broadway, 2nd Floor
New York, NY 10018

Pathnet, Inc.
11720 Sunrise Valley Drive
Reston, VA 20191

Payroll Advance, Inc.
808 S. Baker
Mountain Home, AR 72643

Prism Missouri Operations, Inc.
1667 K. Street, N.W., Suite 200
Washington, DC 20006

Rocky Mountain Broadband, Inc.
999 18th Street, Suite 2201
Denver, CO 80202

Supra Telecommunications &
Information Systems, Inc.
2620 S. W. 27th Avenue
Miami, FL 33133

Tel-Save, Inc. of Pennsylvania
6805 Route 202
New Hope, PA 18938

TLC Next Generation International
Holdings, LLC
911 Washington, Suite 625
St. Louis, MO 63101

TransNational Telecommunications Inc
8626 Tesora Drive, Suite 440
San Antonio, TX 78217

Universal Access, Inc.
100 N. Riverside Plaza, Suite 2200
Chicago, IL 60606

U.S. Telepacific Corp., d/b/a
Telepacific Communications
515 S. Flower Street, 49th Floor
Los Angeles, CA 90071

Vectris Telecom, Inc.
5000 Plaza on the Lake, Suite 205
Austin, TX 78746

Z-Tel Communications, Inc.
601 S. Harbour Island Blvd, Suite 2
Tampa, FL 33602

J. Steve Weber
AT&T Communications of Southwest
101 W. McCarty, Suite 216
Jefferson City, MO 65 101