

ORIGINAL

GTE SERVICE CORPORATION

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August 10, 1998

Ms. Blanca S. Bayo, Director Division of Records & Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-3850

Re: Docket No. 980696-TP

Determination of the cost of basic local telecommunications service, pursuant to Section 364.025, Florida Statutes

Dear Ms. Bayo:

A part of GTE Corporation

SEC

WAS -

OTH

Please find enclosed for filing an original and fifteen copies of GTE Florida Incorporated's Objections to AT&T's First Set of Interrogatories in the above matter. Service has been made as indicated on the Certificate of Service. If there are any questions regarding this filing, please contact me at (813) 483-2617.

	questions regarding this filing, please contact the at (613)		
ACK V	Very truly yours,	RECEIVED & FILED	
AFA	- Erneto Mayor for	FPSC-BUREAU OF RECORDS	
CAE	Kimberly Caswell		
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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Determination of the cost of providing)	Docket No. 980696-TP
basic local telecommunications service,)	
pursuant to Section 364.025, Floriua Statutes)	Filed: August 10, 1998
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GTE FLORIDA INCORPORATED'S OBJECTIONS TO AT&T'S FIRST SET OF INTERROGATORIES (1-36)

GTE Florida Incorporated (GTEFL) files its preliminary objections to the First Set of Interrogatories served upon GTEFL by AT&T Communications of the Southern States, Inc. (AT&T). GTEFL reserves the right to make additional and/or more complete objections when it files its responses to AT&T's First Set of Interrogatories.

GENERAL OBJECTIONS

Each of the general objections set forth below is incorporated into each of the specific responses and objections.

- 1. GTE Florida Incorporated (GTEFL) objects to AT&T's definition of "GTE" to the extent it includes GTEFL's "affiliates," "parents," "subsidiaries," "agents," "representatives," and all other entities that are not GTEFL. The purpose of this proceeding, as set forth in Florida Statutes section 364.025(4)(b), is to choose a proxy model to determine the forward-looking cost of basic local telecommunications service. Only GTEFL's costs and associated information are relevant to this purpose. GTEFL will thus respond to AT&T's discovery only on behalf of GTEFL.
- GTEFL objects to AT&T's discovery to the extent that it seeks information which is obtainable from some other source that is more convenient, less burdensome, or less expensive.
- 3. GTEFL objects to AT&T's discovery to the extent that it seeks the identification of documents or portions of documents protected by the attorney-client privilege, the attorney work product doctrine, or any other applicable privilege or immunity. The inadvertent production of any privileged document shall not be deemed to be a waiver of any applicable privilege with respect to such document or to the subject matter of the document. GTEFL specifically reserves the right to demand the return of any such privileged documents, without prejudice to any claim of privilege, in the event any such document is inadvertently produced.

DOCUMENT NUMBER-DATE
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 GTEFL's later responses to the interrogatories will be made subject to, qualified by, and made without waiver of each of the foregoing general objections.

SPECIFIC OBJECTIONS

 Please provide the number of GTE's residence and business lines in Florida, categorized by switched and special lines for each of GTE's wire centers.

OBJECTION:

GTEFL objects to this interrogatory because it seeks information that is confidential and proprietary to GTEFL. Notwithstanding this objection, GTEFL will produce this information upon AT&T's execution of the previously provided projective agreement.

2) Please provide all cost of capital, cost of debt and cost of equity estimates that have been prepared or used by GTE or any of its divisions, subsidiaries, project teams, functional groups, consultants or employees, for any purpose over the last 24 months.

OBJECTION:

GTEFL objects to this interrogatory because it does not seek any relevant information, nor is it calculated to lead to the discovery of any relevant and otherwise admissible information. The requested historical data are not relevant to the purpose of this proceeding, which is to choose a cost model to determine the forward-looking cost of providing basic service. In addition, as noted above in GTE's General Objections, GTEFL will respond to discovery only on behalf of itself. Responses on behalf of other entities would not be relevant to this proceeding. Finally, production of the requested documents would be unduly burdensome. GTEFL refers AT&T to GTEFL witness Vander Weide's Direct Testimony in this proceeding for cost of capital, cost of debt, and cost of equity information relevant to this docket.

6) Provide average loop lengths, by wire center, for your service territory split by feeder and distribution, along with an explanation of how the data were derived.

OBJECTION:

GTEFL objects to this Interrogatory because it seeks information that is confidential

and proprietary to GTEFL. Notwithstanding this objection, GTEFL will produce any relevant data at the appropriate time, to the extent that it exists, upon AT&T's execution of the previously provided protective agreement.

 Provide route miles of plant, by wire center, for your service territory split by feeder and distribution.

OBJECTION:

GTEFL objects to this Interrogatory because it seeks information that is confidential and proprietary to GTEFL. Notwithstanding this objection, GTEFL will produce any relevant data at the appropriate time, to the extent it exists, upon AT&T's execution of the previously provided protective agreement.

- 8) For each year, 1990 through 1997, please provide for each account and subaccount (e.g. - metallic and non-metallic) and in total the following data for Florida pursuant to FCC books and separately pursuant to intrastate books:
 - a. Beginning-of-year plant in service and depreciation reserve balance
 - End-of-year plant in service and depreciation reserve balance
 - c. Plant additions
 - d. Plant retirements
 - e. Depreciation accruals
 - f. Transfers and adjustments.

OBJECTION:

GTEFL objects to this Interrogatory to the extent that it requests information prior to 1997. Such information is irrelevant to this proceeding, which is intended to choose a model to determine the forward-looking cost of providing basic local service. In addition, with regard to the request for data from 1990-1995, GTEFL objects to providing information that is publicly filed and easily obtainable by AT&T, and also objects to providing FCC data.

 Please provide current planning forecast for data in Interrogatory No. 8 for years 1998 forward.

OBJECTION:

GTEFL objects to this Interrogatory because, to the extent GTEFL has any responsive data, it is proprietary and highly confidential competitive information. AT&T itself routinely objects to providing its own investment and planning data to its competitors on these same grounds. By the same token, GTEFL cannot be expected to turn over such sensitive data to AT&T. In addition, GTEFL objects to providing planning forecast information because it is irrelevant to choosing a cost proxy model to determine the cost of providing basic local service.

 Please provide current planning forecast for provision of cable television services in Florida, and identify technology (i.e. - wireline or wireless).

OBJECTION:

GTEFL objects to this Interrogatory because, to the extent GTEFL has any responsive data, it is proprietary and highly confidential competitive information. AT&T itself routinely objects to providing its own investment and planning data to its competitors on these same grounds. By the same token, GTEFL cannot be expected to turn over such sensitive data to AT&T. In addition, GTEFL objects to providing planning forecast information because it is irrelevant to choosing a cost proxy model to determine the cost of providing basic local service and is not relevant to any issue in the proceeding.

11) Please provide current planning forecast for provision of ADSL services in Florida.

OBJECTION:

GTEFL objects to this Interrogatory because, to the extent GTEFL has any responsive data, it is proprietary and highly confidential competitive information. AT&T itself routinely objects to providing its own investment and planning data to its competitors on these same grounds. By the same token, GTEFL cannot be expected to turn over such sensitive data to AT&T. In addition, GTEFL objects to providing planning forecast information because it is irrelevant to choosing a cost proxy model to determine the cost of providing basic local service.

13) Please provide current planning forecast for ATM switch deployment in Florida.

OBJECTION:

GTEFL objects to this Interrogatory because, to the extent GTEFL has any responsive data, it is proprietary and highly confidential competitive information. AT&T itself routinely objects to providing its own investment and planning data to its competitors on these same grounds. By the same token, GTEFL cannot be expected to turn over such sensitive data to AT&T. In addition, GTEFL objects to providing planning forecast information because it is irrelevant to choosing a cost proxy model to determine the cost of providing basic local service.

14) Please identify whether GTE's ATM deployment will be as an "overlay" network, or will be part of the basic public switched network.

OBJECTION:

GTEFL objects to this Interrogatory because, to the extent GTEFL has any responsive data, it is proprietary and highly confidential competitive information. AT&T itself routinely objects to providing its own investment and planning data to its competitors on these same grounds. By the same token, GTEFL cannot be expected to turn over such sensitive data to AT&T. In addition, GTEFL objects to providing planning forecast information because it is irrelevant to choosing a cost proxy model to determine the cost of providing basic local service. Notwithstanding these objections, GTEFL responds that ATM deployment is an overlay to existing switches.

15) If GTE anticipates that the deployment of ATM switching will displace any of its existing Digital ESS switches please identify those switching locations which will be displaced and their anticipated replacement date.

OBJECTION:

GTEFL objects to this Interrogatory because, to the extent GTEFL has any responsive data, it is proprietary and highly confidential competitive information. AT&T itself routinely objects to providing its own investment and planning data to its competitors on these same grounds. By the same token, GTEFL cannot be expected to turn over such sensitive data to AT&T. In addition, GTEFL objects to providing

planning forecast information because it is irrelevant to choosing a cost proxy model to determine the cost of providing basic local service.

16) Please provide current planning forecast for SONET deployment.

OBJECTION:

GTEFL objects to this Interrogatory because, to the extent GTEFL has any responsive data, it is proprietary and highly confidential competitive information. AT&T itself routinely objects to providing its own investment and planning data to its competitors on these same grounds. By the same token, GTEFL cannot be expected to turn over such sensitive data to AT&T. In addition, GTEFL objects to providing planning forecast information because it is irrelevant to choosing a cost proxy model to determine the cost of providing basic local service.

17) Please provide current planning forecast for fiber in the distribution network.

OBJECTION:

GTEFL objects to this Interrogatory because, to the extent GTEFL has any responsive data, it is proprietary and highly confidential competitive information. AT&T itself routinely objects to providing its own investment and planning data to its competitors on these same grounds. By the same token, GTEFL cannot be expected to turn over such sensitive data to AT&T. In addition, GTEFL objects to providing planning forecast information because it is irrelevant to choosing a cost proxy model to determine the cost of providing basic local service.

- 19) Please provide the following SCIS model input information for Florida, by switch type and location, as utilized in the local switching studies for the proceeding:
 - Percent utilization of the processors
 - b. Percent fill on lines
 - c. Percent DLC, by IDLC, by UDLC
 - d. CSS per truck
 - e. Line to trunk ratio by density

OBJECTION:

GTEFL objects to this Interrogatory because it seeks confidential and highly restricted information, some of which is information proprietary to third party vendors. AT&T itself routinely objects to providing any price or other information from vendors because of the negative effects such disclosure could have on these third-party vendors' relationships with their customers. Notwithstanding this objection, GTEFL will provide the requested information, to the extent it exists, upon AT&T's execution of the standard and third-party protective agreements.

25) Identify the number and percentage of defective copper feeder and distribution cable pairs and fiber strands for each of the past ten years.

OBJECTION:

GTEFL objects to this Interrogatory because producing information for the past ten years is unduly burdensome. GTEFL will produce the requested information for 1997, which is the only period relevant to this proceeding.

26) Describe the utilization of copper and fiber feeder and distribution cables and digital loop carrier (e.g., percentage of total pairs or strands in use) for each of the past ten years. Please define what is in the numerator and denominator of the utilization data.

OBJECTION:

GTEFL objects to this Interrogatory because producing information for the past ten years is unduly burdensome. GTEFL will produce the requested information for 1997, which is the only period relevant to this proceeding.

30) What has been the number of residential lines per residence for each of the past five years? What percentage of residential customers have 1 line, 2 lines, 3 lines, 4 lines and 5 or more lines?

OBJECTION:

GTEFL objects to this Interrogatory because the information it seeks is confidential and competitively sensitive to GTEFL. Notwithstanding this objection, GTEFL will

produce any relevant data at the appropriate time, upon AT&T's execution of the previously provided protective agreement.

- 33) In regards to the clearing of defective cable pairs or fibers:
 - a. What is the average cost or range of costs to clear a defective copper pair or fiber strand for feeder and distribution?
 - b. What has been the quantity and percentage of copper pairs and fibers to go defective over the past ten years by feeder and distribution?
 - c. What has been the quantity and percentage of copper pairs and fibers cleared over the past ten years by feeder and distribution?

OBJECTION:

GTEFL objects to this Interrogatory because it seeks confidential and highly restricted information, some of which is information proprietary to third party vendors. AT&T itself routinely objects to providing any price or other information from vendors because of the negative effects such disclosure could have on these third-party vendors' relationships with their customers. GTEFL also objects to this Interrogatory because it is unduly burdensome to produce data from the past ten years. Notwithstanding these objections, GTEFL will provide the requested information, to the extent it exists, upon AT&T's execution of the standard and third-party protective agreements.

- 35) In regards to outside plant placement costs for using contractors instead of ILEC labor, please address the following:
 - a. Describe and quantify the cost differences between OSP contract work performed under a General or Master Agreement as opposed to work performed under contract awarded by a competitive bid or directly awarded for a specific project.
 - b. Describe and provide data to support how the ILEC has determined the cost for OSP contract work in this docket. Were only General or Master Agreement costs used? Was the lowest cost used, or were

simple or weighted averages used?

- c. Does the ILEC's General or Master Agreements with OSP contractors include quantity discounts or lower prices when the quantity of work (e.g., trench footage or number of poles to be placed) exceeds specific threshold amounts? Were such quantity discounts used in determining the OSP contractor costs for the ILEC in this docket, or were the higher costs for the least quantity of work used? Please describe the process utilized and provide the data to support the values used.
- d. What have been the quantities (i.e., dollars) of OSP work performed: a) under General or Master Agreements, b) under competitively bid project specific contracts, and c) under direct award contracts for each of the past five years.
- e. Provide the guidelines on when to use the OSP General or Master Agreement for contract work and when to competitively bid out the same type of work that is covered by the OSP General or Master Agreement.

OBJECTION:

GTEFL objects to this Interrogatory because it seeks confidential and highly restricted information, some of which is information proprietary to third party vendors. AT&T itself routinely objects to providing any price or other information from vendors because of the negative effects such disclosure could have on these third-party vendors' relationships with their customers. Notwithstanding this objection, GTEFL will provide the requested information, to the extent it exists, upon AT&T's execution of the standard and third-party protective agreements.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of GTE Florida Incorporated's Objections to AT&T's First Set of Interrogatories in Docket No. 980696-TP were sent via U.S. mail on August 10, 1998 to the parties on the attached list.

Emoto Mayor for Kimberly Caswell

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