

Confidential Release

Case Number:

92-432-TP-ALT

93-551-TP-CSS

Date of Confidential Document:

February 16, 1994

Today's Date:

July 29, 2009

BEFORE THE PUBLIC UTILITIES COMMISSION

STATE OF OHIO

- - -

In the Matter of the)
Application of the) Case No. 92-432-TP-ALT
Cincinnati Bell Telephone) 93-551-TP-CSS
Company for Approval of an)
Alternative Form of)
Regulation and for a)
Threshold Increase in)
Rates.)

- - -

Hearing Room 11-D

Borden Building

180 East Broad Street

Columbus, Ohio 43266

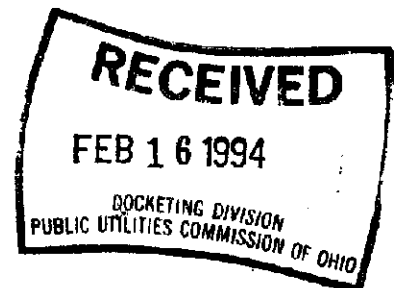
Friday, January 21, 1994

Met, pursuant to assignment, at 2:00 o'clock p.m.

BEFORE:

Dwight Nodas, Attorney-Examiner
Daniel Fullin, Attorney-Examiner

- - -



MC GINNIS & ASSOCIATES, INC.
COLUMBUS, OHIO (614) 461-1344

1 APPEARANCES:

2 ON BEHALF OF THE CINCINNATI BELL TELEPHONE
3 COMPANY:

4 David C. Olson, Esq.
5 Frost & Jacobs
6 2500 PNC Center
7 201 East Fifth Street
8 Cincinnati, Ohio 45202

9 ON BEHALF OF THE STAFF OF THE PUBLIC UTILITIES
10 COMMISSION OF OHIO:

11 Lee Fisher, Esq.
12 Attorney General, State of Ohio

13 BY: James B. Gainer, Esq.
14 Section Chief
15 Anne L. Hammerstein, Esq.
16 Anne E. Henkener, Esq.
17 Jeffrey Van Niel, Esq.
18 Assistant Attorneys General
19 Public Utilities Section
20 180 East Broad Street, 7th Floor
21 Columbus, Ohio 43266-0573

22 ON BEHALF OF THE RESIDENTIAL CUSTOMERS OF
23 STATE OF OHIO:

24 Barry Cohen, Esq.
25 Interim Consumers' Counsel

BY: Andrea M. Kelsey, Esq.
Yvonne T. Ranft, Esq.
David C. Bergmann, Esq.
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77 South High Street, 15th Floor
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ON BEHALF OF ALLNET COMMUNICATIONS
SERVICES, INC., LCI, AND MCI COMMUNICATIONS:

Barth E. Royer, Esq.
Judith B. Sanders, Esq.
Bell, Royer & Sanders Co., L.P.A.
33 South Grant Avenue
Columbus, Ohio 43215

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1 APPEARANCES (continued):

2 ON BEHALF OF ANSWERING EXCHANGE:

3 Stephen M. Howard, Esq.
4 Vorys, Sater, Seymour and Pease
5 52 East Gay Street
6 Columbus, Ohio 43216-1008

7 and

8 Dennis K. Muncy, Esq.
9 Meyer, Capel, Hirschfeld, Muncy, Jahn & Aldeen
10 306 West Church Street
11 Champaign, Illinois 61826-6750

12 ON BEHALF OF CABLE TELEVISION ASSOCIATION:

13 Sheldon A. Taft, Esq.
14 Vorys, Sater, Seymour and Pease
15 52 East Gay Street
16 Columbus, Ohio 43216-1008

17 ON BEHALF OF SOUTHERN OHIO TELEPHONE
18 COMPANY CABLEVISION SYSTEMS CORPORATION:

19 Mary W. Christensen, Esq.
20 Sally W. Bloomfield, Esq.
21 Bricker & Eckler
22 100 South Third Street
23 Columbus, Ohio 43215

24 ON BEHALF OF BELL COMMUNICATIONS RESOURCES, INC.:

25 Marsha Rockey Schermer, Esq.
William Adams, Esq.
Arter & Hadden
10 West Broad Street
Columbus, Ohio 43215

and

Louise M. Tucker, Esq.
2101 L Street NW
Suite 600
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ON BEHALF OF TIME WARNER AxS:

Richard P. Rosenberry, Esq.
Samuel C. Randazzo, Esq.
Emens, Kegler, Brown, Hill & Ritter
65 East State Street
Columbus, Ohio 43215

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P R O C E E D I N G S

Friday, January 21, 1994

Afternoon Session

EXAMINER NODES: The Public Utilities Commission of Ohio has set for a record conference at this time and place two cases involving Cincinnati Bell Company, Case 93-432-TP-ALT and Case No. 93-551-TP-CSS, first being the matter of Cincinnati Bell's alternative regulation plan, and the second being in the matter of Consumers' Counsel's complaint against Cincinnati Bell.

I will take appearances. First, on behalf of the Company.

MR. OLSON: On behalf of the Cincinnati Bell Telephone Company, David C. Olson from the law firm of Frost & Jacobs

EXAMINER NODES: On behalf of the Commission.

MS. HAMMERSTEIN: Thank you, your Honor. On behalf of the Staff of the Public Utilities Commission, Lee Fisher, Attorney General, James B. Gainer, section chief, Jeffrey Van Niel, Anne Henkener, Anne L. Hammerstein.

EXAMINER NODES: Office of Consumers'

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1 Counsel.

2 MS. KELSEY: On behalf of the OCC,
3 Barry Cohen, interim consumers' counsel, Andrea M.
4 Kelsey, David C. Bergmann, Yvonne T. Ranft, Richard
5 Pace, Joseph P. Serio, associate consumers' counsel.

6 EXAMINER NODES: Answering Exchange.

7 MR. HOWARD: Thank you. Let the
8 record reflect the appearance of the law firm of Vorys,
9 Sater, Seymour and Pease, Stephen M. Howard, 52 East
10 Gay Street, Columbus, Ohio, 43216.

11 EXAMINER NODES: On behalf of the
12 Cable Television Association.

13 MR. TAFT: On behalf of the Ohio
14 Cable Television Association, the law firm of Vorys,
15 Sater, Seymour and Pease, Sheldon Taft, 52 East Gay
16 Street, Columbus, Ohio, 43216.

17 EXAMINER NODES: On behalf of Allnet.

18 MR. ROYER: On behalf of Allnet
19 Communications Services, Inc., and also appearing on
20 behalf of LCI, International Telecom, Corp., now, and
21 MCI Telecommunications Corporation, let the record show
22 the appearance of Barth E. Royer and Judith B. Sanders
23 from the firm of Bell, Royer & Sanders, Co., L.P.A.,
24 33 South Grant Street, Columbus, Ohio.

25 EXAMINER NODES: Anyone here

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1 representing the City of Cincinnati?

2 (No response.)

3 EXAMINER NODES: AT&T?

4 MS. BUTWIN: We don't have an
5 attorney here.

6 EXAMINER NODES: Go ahead and give
7 your name for the record.

8 MS. BUTWIN: My name is Betty
9 Butwin, regulatory affairs manager for AT&T.

10 EXAMINER NODES: Hart Communications,
11 anyone here?

12 (No response.)

13 EXAMINER NODES: Time Warner Access.

14 MR. ROSENBERRY: Please note the
15 appearance of Emens, Kegler, Brown Hill & Ritter,
16 Richard Rosenberry, Sam Randazzo, 65 East State Street,
17 Columbus, Ohio, 43215.

18 EXAMINER NODES: Southern Ohio
19 Telephone Company and Cable Vision.

20 MS. CHRISTENSEN: Thank you, your
21 Honor. On behalf of the Southern Ohio Telephone
22 Company and the intervenor in the case, which is the
23 Cable Vision organization called Sports Channel, the
24 law firm of Bricker & Eckler, Mary W. Christensen,
25 appearing with Sally W. Bloomfield, 100 South Third

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1 Street, Columbus, Ohio, 43215.

2 EXAMINER NODES: Anyone here on behalf
3 of U.S. Sprint?

4 (No response.)

5 EXAMINER NODES: Bellcore.

6 MS. SCHERMER: Thank you. Appearing
7 on behalf of Bell Communications Research, Inc., Marsha
8 Rockey Schermer and William Adams, Arter & Hadden, 10
9 West Broad Street, Columbus, Ohio, 43215, and Louise L.
10 M. Tucker, counsel to Bell Communications Research,
11 Inc., 2101 L street, NW, Suite 600, Washington, D.C.,
12 20037.

13 At the appropriate time, I would like to
14 move for the special admission of Ms. Tucker for the
15 purposes of practicing before the Commission in this
16 proceeding.

17 EXAMINER NODES: We can do that now, I
18 guess.

19 MS. SCHERMER: I so move.

20 EXAMINER NODES: Any objection?

21 (No response.)

22 EXAMINER NODES: Motion is granted.

23 MS. SCHERMER: Thank you.

24 EXAMINER NODES: As you probably are
25 all aware, the purpose of today's conference is to take

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1 arguments and rule upon, hopefully, the motion for
2 protective order that was filed by Cincinnati Bell.

3 I plan to just go through these various
4 documents one by one. I think that is probably the
5 best way to handle it, and give everyone a chance to
6 comment on their position if they so desire.

7 Before we start that, is there anything
8 else anyone wants to do for the record, make a
9 statement?

10 MR. OLSON: For the record, I'd
11 like to note that the Cincinnati Bell Telephone Company
12 has with all the parties present executed a protective
13 agreement, whereby the discussion of the documents that
14 have been provided to counsel is pursuant to those
15 protective agreements.

16 At this time we just would like the
17 record to reflect the only participants here at this
18 time are those that have executed the protective
19 agreements, and anyone who has not executed such a
20 protective agreement, I ask they be excluded from the
21 room.

22 EXAMINER NODES: Is there any party
23 here who has not executed a protective agreement?

24 (No response.)

25 EXAMINER NODES: There doesn't appear

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1 to be anyone. My information, is there any party that
2 has not entered into a protective agreement?

3 MR. OLSON: There are not, Your
4 Honor. I have not received the signature page from one
5 or two of the intervenors, specifically Hart
6 Communications. I am told it is in transit. They are
7 not present here, and therefore, everyone in the room
8 has executed a protective agreement with Cincinnati
9 Bell Telephone Company.

10 MR. TAFT: Your Honor, it may be
11 more efficient to determine what persons have
12 objections with documents rather than running through
13 each of them, so as to determine the extent of argument
14 that may exist on the motion.

15 EXAMINER NODES: Off the record.

16 (Discussion off the record.)

17 (Brief recess.)

18 EXAMINER NODES: During an
19 off-the-record discussion, I inquired of parties
20 whether they were going to have any objections to the
21 documents that have been moved for protection by the
22 Company, and it appears that there is going to be very
23 little opposition to the Company's motion; however, I
24 will go around and ask each party if they have any
25 objections for the record, and then the few areas that

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1 we need to discuss, we will get to those last.
2 Mr. Howard, do you have any objections to
3 the Company's motion.
4 MR. HOWARD: No, your Honor.
5 Thank you.
6 EXAMINER NODES: Mr. Taft.
7 MR. TAFT: No, objections.
8 EXAMINER NODES: Mr. Royer.
9 MR. ROYER: No objections.
10 EXAMINER NODES: Mr. Rosenberry.
11 MR. ROSENBERRY: No objections.
12 EXAMINER NODES: Ms. Schermer.
13 MS. SCHERMER: No objections.
14 EXAMINER NODES: Ms. Christensen.
15 MS. CHRISTENSEN: No objection.
16 EXAMINER NODES: Ms. Kelsey.
17 MS. KELSEY: No objection.
18 EXAMINER NODES: Ms. Hammerstein.
19 MS. HAMMERSTEIN: Your Honor, the
20 Company and the Staff have discussed a couple of areas
21 of their protective motion, and Mr. Olson, I think we
22 can make a representation for the record on those two
23 things that we have some details to work out and will
24 provide a resolution to those areas to the Bench and to
25 the parties consistent with the Company's motion of

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1 last week.

2 But there is one area in the motion that
3 the Staff is concerned with on Page 10, and that is,
4 the motion that was filed, I think last Friday.

5 At any rate, at the top of the page, the
6 Company describes that they provided the Staff access
7 to books and records that are included in the Staff
8 work papers and some documents that were provided to
9 the Staff and so forth.

10 According to the Examiners' entry on
11 December 22, it was the Company's responsibility to
12 support their motion and request for confidential
13 treatment with detailed arguments supporting that
14 request, and they should cite source documents.

15 Staff believes that this is too general,
16 and we really haven't been able to address it in terms
17 of exactly what documents the Company is referring to,
18 and we would therefore object to this portion of their
19 motion.

20 With regard to the remaining two areas,
21 as I said, Mr. Olson will address those, and we will
22 respond, and we should be able to work those out next
23 week.

24 MR. OLSON: In response, I
25 believe that in the motion I refer at various times to

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1 documents that were provided to the Staff pursuant to
2 Staff data requests. There are, however, times in
3 which I have referred to documents that are stamped as
4 deemed confidential to which I do not refer to a
5 specific data request.

6 And on Page 10, there is an example, the
7 Staff hybrid income statement, which was provided to
8 the Staff but not pursuant to a data request, and that
9 is the type of document that is described in the top
10 paragraph on Page 10.

11 Except for the documents described in the
12 motion and in the supplemental motion filed today,
13 there are no other documents included in the Staff work
14 papers that are reached by this motion.

15 EXAMINER NODES: So your top paragraph
16 on Page 10 is sort of an introductory paragraph to the
17 following arguments?

18 MR. OLSON: That is correct.

19 EXAMINER NODES: I have a question
20 regarding the Clermont County Distance Learning
21 Project.

22 Do you know, Mr. Olson, if any of those
23 documents which you seek protection for regarding that
24 project are already public documents?

25 MR. OLSON: I do not.

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1 EXAMINER NODES: You do not know?

2 MR. OLSON: I do not know whether
3 some of the public bodies that are under contract or
4 obligated to make some of those documents public, I do
5 not know.

6 One of the items on which we are seeking
7 to modify, our motion reaches the Clermont issue, and I
8 would direct the parties to tab G of the document, the
9 tabs, and the first page in tab G is a part of the
10 narrative from the Staff Report, and through
11 discussions with the Staff, if the Staff Report had
12 some words deleted, specifically at the bottom of the
13 page, second line up from the bottom where it reads
14 "Clermont County schools at the contracted rate," we
15 would suggest if a period were put there and the
16 remaining words in that sentence were stricken, we
17 would withdraw our motion for protective agreement or
18 protective order for Schedule 2 as attached, Schedule 3
19 as attached, Schedule 4 as attached, Schedule 4.1,
20 Schedule 6, and I believe it is also schedule 7.

21 The only exception would be on Schedule
22 4.1, there is at times references to Staff work paper
23 4.1a, which does contain on it the contracted rate, and
24 we would propose to redact from that work paper the
25 numbers that would reflect the contract rate. But for

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1 the numbers contained on the schedules in the Staff
2 Report, we would withdraw our motion for a protective
3 order.

4 EXAMINER NODES: Is that one of the
5 areas you were discussing with the Company that you
6 hoped to clear up?

7 MS. HAMMERSTEIN: Yes, it is, your
8 Honor, and the Staff agrees with that procedure.

9 EXAMINER NODES: That's what you hoped
10 to work out by next week?

11 MR. OLSON: That is one we worked
12 out.

13 MS. HAMMERSTEIN: We worked that out.
14 The other two areas, we need to do a
15 little more looking at some documents.

16 But I have to object, my copy has a
17 Schedule 1 also.

18 MR. OLSON: That would also be
19 withdrawn on Schedule 1.

20 MR. TAFT: All of the schedules?

21 MR. OLSON: All of the schedules
22 we would not continue to seek for protective order any
23 of the numbers contained on the schedules themselves,
24 as long as the sentence in the narrative on Page, I
25 believe it is, 12 of the Staff Report were amended as I

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1 noted.

2 EXAMINER NODES: Ms. Hammerstein, the
3 Staff has agreed to that amendment in the narrative
4 that would remove all of the motions as far as the
5 schedules go?

6 MS. HAMMERSTEIN: That's correct, your
7 Honor.

8 EXAMINER NODES: Mr. Olson, so I have
9 it clear, how is the text going to be amended?

10 MR. OLSON: The final paragraph
11 on Page 12 would read, "If the trial is successful, the
12 applicant will provide the network to the Clermont
13 County Schools at the contracted rate," period.

14 EXAMINER NODES: Period, and the rest
15 of the sentence would be deleted?

16 MR. OLSON: That is correct.

17 MR. TAFT: Your Honor.

18 EXAMINER NODES: Mr. Taft.

19 MR. TAFT: If I may inquire of
20 Mr. Olson, does the deletion of 1,570 from the Staff
21 Report text, is that to be the deletion from the
22 publicly issued or from both the publicly issued and
23 part of Staff Report that has been received?

24 MR. OLSON: Because of only the
25 few words involved, we propose it be eliminated from

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1 both editions of the Staff Report, if that was in
2 agreement with the Staff.

3 MR. TAFT: Then my question is,
4 is that 1,570 number available elsewhere in any of the
5 documentation to those who have signed the protective
6 order?

7 MR. OLSON: To my knowledge, in
8 the Staff work papers, there is a reference on work
9 paper 4.1a, which would be redacted, and that work
10 paper does reflect, I believe, that number such that
11 that work paper would be available to those who had
12 executed the protective agreements.

13 MR. TAFT: When you say the work
14 papers will be redacted, you mean just the reference to
15 the work paper on 4.1?

16 MR. OLSON: No. There would not
17 be a redaction of the Staff Report. That reference
18 would still be there, but the work paper itself would
19 have those portions of the work paper which reflect the
20 rate of 1,570 redacted from the publicly available
21 version.

22 MR. BERGMANN: Of the work papers?

23 MR. OLSON: Of the work papers.

24 MR. TAFT: It would still be
25 available to those of us who signed the work paper?

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1 MR. OLSON: The work paper, yes.

2 MR. TAFT: And the work paper
3 supports the conclusion expressed in the second line
4 from the bottom of the page shown as the first page of
5 your Exhibit G in the documents filed under seal?

6 MR. OLSON: That is my
7 understanding. Obviously, it is a Staff work paper,
8 but that is my understanding.

9 MR. TAFT: With that
10 understanding, we would not object to the procedure
11 which has just been described.

12 EXAMINER NODES: Is that your
13 understanding, Ms. Hammerstein?

14 MS. HAMMERSTEIN: That is correct, your
15 Honor, and just for clarification, the work papers also
16 include the contract which contains that information.

17 MR. TAFT: Excellent. Thank
18 you, Your Honor. That withdraws my concern.

19 MR. OLSON: One other point we
20 would like to clarify, if people could turn to tab E,
21 which contains portions of the response to Staff data
22 request 66, if you turn to the next page in the
23 exhibit, which has various columns, with the heading
24 November '92, December '92, January '93, we will
25 withdraw our motion for protective order for all of the

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1 material contained on that page. That material
2 therefore will be available to the public for their
3 use.

4 With regard to the remaining items
5 dealing with the journal entries, one of the items we
6 need to work out with the Staff is that there may be
7 certain line items, as reflected, as an example, on the
8 journal entries, for which we will withdraw our motion,
9 but we need to work that out with the Staff on a
10 line-by-line basis.

11 And I believe we will do that as early as
12 next week in order to work out the details of those
13 items to be redacted, and I will circulate to all the
14 parties those precise pages with the line items as
15 shown, but it will be removing some items, not adding
16 items to the motion.

17 EXAMINER NODES: We may as well
18 identify, is this the only remaining area?

19 MR. OLSON: One last area deals
20 with the E4.2 schedules, for which we had provided
21 certain representative samples, there is under tab N.

22 There are approximately 340 to 350 pages
23 of the E4.2 schedules, and we began this morning some
24 discussions with the Staff on the precise line items,
25 and therefore we may have to continue and conclude

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1 those discussions the first part of next week in which
2 we will mark on each one of the 340 pages the columns
3 or data to be redacted from the publicly available
4 version.

5 And that is something that will take us a
6 little bit of time to go through the 340 pages, but we
7 have, I believe, defined with the Staff the type of
8 criteria we will use to do that redaction.

9 MR. ROSENBERRY: Consistent with the
10 changes to tab G, Mr. Olson, would it be the intent
11 then to redact from the publicly available work papers
12 the protected material in tabs E and E4.2 but make that
13 available to the parties who have executed a protective
14 agreement?

15 MR. OLSON: Yes. These materials
16 are available to the parties who have executed
17 protective agreements because they are included in the
18 Staff work papers, so the redacted versions would
19 still -- the highlighted versions, I will call them --
20 would still be available to participants who have
21 executed protective agreements.

22 MR. ROSENBERRY: Thank you.

23 EXAMINER NODES: Well, other than what
24 appears to be two remaining areas that need to be
25 negotiated with the Staff, and that's as I understand

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1 it, the section under tab E and tab N, those are the
2 only two remaining areas that Staff and the Company
3 need to negotiate?

4 MR. ROSENBERRY: Your Honor, I
5 understood we were talking about the last area being
6 covered was the E4.2 schedules, which appear under tab
7 M, as in Mike, in at least our copy of the redacted
8 materials, not N.

9 MR. OLSON: Mine are under N.

10 MS. HAMMERSTEIN: Mine are under N.

11 MR. BERGMANN: As are ours, N, as in
12 Nancy.

13 MR. OLSON: These are the E4.2
14 schedules.

15 EXAMINER NODES: With the exception of
16 the sections under Section E and N of the Company's
17 protective filing, I will grant the Company's motion at
18 this time to protect the remaining documents and wait
19 until next week to see if the Company -- what the
20 Company and Staff come up with as far as an agreement
21 regarding those other two areas, and I trust you will
22 advise all the other parties as soon as you reach an
23 agreement and go from there.

24 MR. OLSON: I will, Your Honor.

25 MS. HAMMERSTEIN: Just to clarify the

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1 record, the Company's motion at Page 13 requests
2 confidential treatment for the E 4.1's.

3 MR. OLSON: That is also
4 withdrawn. The E 4.1 schedule is no longer a subject
5 of the motion for protective order, the E4.1 schedule.

6 EXAMINER NODES: I believe Mr. Olson,
7 you were going to clarify the years for those business
8 plans that were in the motion?

9 MR. OLSON: Yes, thank you.
10 Under tab L, as in Larry, the cover pages of the
11 business plans are shown, and they are the business
12 plans for the planning periods '93-'95, and '94-'96.

13 It was pointed out to me I may have
14 misquoted the business plan periods in the motion, but
15 the two business plans for which are included in the
16 Staff work papers and for which the motion reaches is
17 '93-'95, and '94-'96 business plans.

18 MR. TAFT: Where is this in the
19 motion?

20 MR. BERGMANN: Page 12.

21 EXAMINER NODES: Also to clarify, the
22 Company, subject to the understanding that was
23 expressed earlier regarding the tab G text and work
24 papers, the Company will then withdraw its motion
25 regarding those documents consistent with your

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1 agreement with the Staff and as indicated to the
2 parties they have no objection to that?

3 MR. OLSON: That is correct.

4 MR. BERGMANN: May we go off the
5 record.

6 (Discussion off the record.)

7 EXAMINER NODES: Before we get to you
8 Ms. Hammerstein, in addition the Company filed the
9 supplemental motion for protective order today. It
10 appears to be regarding some Bellcore documents.

11 Is there any objection to including these
12 materials as under the protective order that I granted
13 previously?

14 MS. HAMMERSTEIN: No objection.

15 EXAMINER NODES: Seeing no objection,
16 the order will apply to the supplemental motion as
17 well.

18 Ms. Hammerstein.

19 MS. HAMMERSTEIN: Yes, your Honor,
20 thank you.

21 I wanted to make it clear, since Staff is
22 custodian of those documents, that your ruling and the
23 Company's motion as ruled upon applies only to those
24 documents specified therein and nothing more that the
25 Staff might have in its possession.

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1 MR. OLSON: The motion reaches
2 the items included in the Staff work papers that I
3 believe are in a room in this building, and that there
4 is a body of information known as the Staff work
5 papers, and attached to the motion were various
6 representative samples, and those are the only
7 documents to which this motion is addressed.

8 MS. HAMMERSTEIN: That's fine.

9 EXAMINER NODES: With the exception of
10 sections E and N, which the Company and Staff are
11 negotiating, the motion for protective order is
12 granted.

13 Is there anything else anyone wants on
14 the record?

15 MS. SCHERMER: Just for the purposes
16 of advising the parties to this proceeding as to the
17 posture that the materials which Bellcore is interested
18 in in the proceeding and has been interested in other
19 cases, the posture is as follows:

20 It is our understanding that other than
21 the possession by the applicant in the proceeding of
22 SCIS and NCAT user manuals and related material, which
23 have been provided by Bellcore to the applicant, and in
24 turn by the applicant to the Staff in connection with
25 preparation for the proceeding, no other party to this

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1 proceeding has access to the materials, other than OCC.

2 OCC had already in a prior case, the
3 Western Reserve proceedings, entered into an order to
4 obtain the Bellcore user manuals in connection with
5 SCIS and NCAT. OCC entered into nondisclosure
6 agreement on June 10, 1993, and also an addendum to the
7 nondisclosure agreement entered on 8/27/93, which
8 Bellcore considers to be sufficient interim protection
9 of that material.

10 The Staff has also agreed to handle the
11 Bellcore information in a manner which is to treat it
12 as trade secret, unless and until it is asked to
13 divulge it or appears that it may wish to divulge it on
14 the record, and at that time, the Staff would advise
15 Bellcore's counsel of such an intent, and provide
16 Bellcore with three business days' opportunity to
17 obtain the protective order from the Commission.

18 So that's where we believe the materials
19 are at this time, and instead of attempting to get a
20 determination now as to the trade secret status of
21 those materials, we will certainly advise parties this
22 is how we intend to proceed.

23 MR. TAFT: Your Honor, if I may
24 pose a question to counsel, do you have a form of
25 protective agreement that other parties might review so

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1 as to expedite access to those materials, if and when a
2 party wishes to review those materials that are a part
3 of the Staff's work papers?

4 MS. SCHERMER: Yes. In reference to
5 the Western Reserve proceedings, we did permit other
6 parties to enter into essentially the same agreement
7 that the Staff has entered into in the proceeding.

8 We didn't attempt to do that here because
9 of the short time line involved, but I don't see any
10 reason we couldn't engage in the same procedure with
11 respect to materials in this case.

12 As an editorial comment, I have to say
13 that the Bellcore materials, user manuals and related
14 information, really are so esoteric, at least I am
15 advised that they are of little interest to most
16 people, and it is but the effort to keep them secret
17 that seems to stimulate curiosity about it, but simply
18 make an editorial comment, I go on to say certainly we
19 would be open to offering that same agreement to
20 parties.

21 The material is of two sorts: one is the
22 actual models themselves and, two, the information
23 which is used by Bellcore and by parties who use the
24 cost models. And it's that second set of information
25 that really is extremely sensitive to switch vendors

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1 and other providers and which Bellcore, as well as
2 users of Bellcore models, have the duty to hold as
3 trade secret information and proprietary. There are
4 two tiers there which we have some concern about.

5 MR. TAFT: I have been advised
6 that although the appetite for this material may be
7 small, apparently people who suffer from that appetite
8 include economists, and thus, we may find some appetite
9 for those materials on behalf of our client.

10 MS. SCHERMER: I wish I could think
11 of a culinary comment in response but I can't.

12 EXAMINER NODES: Any responses or
13 comments to Ms. Schermer's statement?

14 (No response.)

15 EXAMINER NODES: Anything else?

16 (No response.)

17 EXAMINER NODES: We will wait to see
18 what Staff and Company come up with.

19 Thank you very much.

20

21 Thereupon, the hearing was
22 adjourned at 2:55 o'clock p.m.

23 Friday, January 21, 1994.

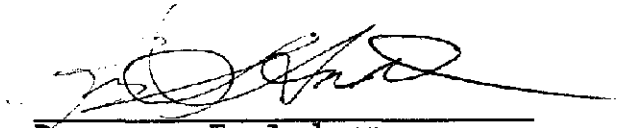
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C E R T I F I C A T E

I, Rosemary F. Anderson, Registered
Professional Reporter, hereby certify that the
foregoing is a true and correct transcript of the
proceedings before The Public Utilities Commission,
State of Ohio, on Friday, January 21, 1994, as
reported in stenotype by me and transcribed by me or
under my supervision.



Rosemary F. Anderson,
Registered Professional
Reporter.