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 ORIGINAL



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December 4, 2007

Via UPS Overnight Delivery

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: Verizon Pennsylvania Inc.'s 2007 PCO Filing
Docket No. P-00930715 F1000 and C-20078513

Verizon North Inc.'s 2008 PCO Filing
Docket No. P-00001854 F1000 and C-20078514

Dear Secretary McNulty:

Enclosed please find the original and three copies of Verizon Pennsylvania Inc.'s and Verizon North Inc.'s Petition for a Protective Order Governing Production of Proprietary Material, in the matters of the two companies' respective 2008 Price Change Opportunity filings, and the two subsequent Complaints of the Office of Small Business Advocate against each of the respective PCO filings.

Please do not hesitate to contact me if you have any questions.

Very truly yours,

Suzan D. Paiva

SDP/slb
Enc.

Via UPS Overnight Delivery
cc: Elizabeth Barnes
Office of Administrative Law Judge
Attached Certificate of Service

RECEIVED

DEC 04 2007

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



 ORIGINAL

CERTIFICATE OF SERVICE

I, Suzan D. Paiva, hereby certify that I have this day served a copy of Verizon Pennsylvania Inc. and Verizon North Inc.'s Petition for a Protective Order Governing Production of Proprietary Material, upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (related to service by a participant) and 1.55 (related to service upon attorneys).

Dated at Philadelphia, Pennsylvania, this 4th day of December, 2007.

VIA UPS OVERNIGHT DELIVERY

Joel Cheskis, Esquire
Office of Consumer Advocate
555 Walnut Street, 5th Floor
Harrisburg, PA 17101-1923

Steven C. Gray, Esquire
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17102

Robert Eckenrod, Esquire
Office of Trial Staff
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120



Suzan D. Paiva
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Verizon Pennsylvania Inc.
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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Verizon Pennsylvania Inc.'s 2008 Price : Docket No. P-00930715F1000
Change Opportunity' Filing : Docket No. C-20078513

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Verizon North Inc.'s 2008 Price : Docket No. P-00001854F1000
Change Opportunity' Filing : Docket No. C-20078514

DEC 04 2007
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PETITION FOR PROTECTIVE ORDER

Pursuant to 52 Pa. Code § 5.423, Verizon Pennsylvania Inc. ("Verizon PA") and Verizon North Inc. ("Verizon North") (collectively "Verizon") request that the Commission enter a Protective Order to limit the disclosure of proprietary and confidential information contained in or relating to each company's 2008 Price Change Opportunity ("PCO") filing made November 1, 2007, and any proceedings relating thereto. In support of this petition, Verizon states the following:

1. On November 1, 2007, Verizon PA made a filing notifying the Commission that the inflation rate for the twelve months ending March 31, 2007 has resulted in a positive PCO filing for Verizon PA and that, per the price cap mechanism in the company's Chapter 30 plan, Verizon PA's 2008 PCO is \$14,617,000. Due to Verizon PA's efforts to comply with the Commission's order relating to its 2006 and 2007 PCO, as detailed in the filing, there are no rate changes associated with the filing at this time.

2. On November 1, 2007, Verizon North made a filing notifying the Commission that the inflation rate for the twelve months ending March 31, 2007 has resulted in a positive PCO filing for Verizon North and that, per the price cap mechanism in the company's Chapter 30 plan, Verizon North's 2008 PCO is \$2,793,000. Due to Verizon

North's efforts to comply with the Commission's order relating to its 2006 and 2007 PCO, as detailed in the filing, there are no rate changes associated with the filing at this time.

3. On November 13, 2007, the Office of Small Business Advocate ("OSBA") filed complaints against Verizon PA's and Verizon North's PCO filings (the "OSBA Complaints"). Those complaints were served by the Commission on November 27, 2007.

4. As detailed most recently by this Commission in its Order entered November 30, 2007 in the *Petition of United Telephone Company of Pennsylvania d/b/a Embarq Pennsylvania for a Protective Order regarding its Price Stability Index/Service Price Index Report Filing for 2007*, Docket No. P-00072332 ("Embarq Order"), certain information that the Commission requires to be included in the annual PCO filings of companies regulated under Chapter 30 alternative regulation plans is proprietary and confidential information of the filing companies that should be protected from public disclosure. In particular, the Commission held that disaggregated revenue information by service category, information regarding the company's demand, base annual revenues, proposed annual revenues and annual revenue change for specific service categories could substantially harm the companies if made known to competitors. Further, the companies generally are not privy to the same details about their competitors' businesses. The Commission was of the opinion, however, that the companies' total base annual revenues, proposed annual revenues and annual revenue change should be made public.

5. Verizon seeks the same level of proprietary protection to its own detailed, disaggregated revenue and demand information that the Commission afforded to Embarq in the above matter.

6. Verizon would be substantially harmed if this information were made available without restriction, because it then would become public information available for review by actual or potential competitors of Verizon. For example, if the material is not kept in a proprietary folder in the Secretary's office, then competitors could obtain copies of the information. Also, information not marked proprietary could be publicly released in orders or other official documents available on the Commission's website or from the Secretary's office.

7. Verizon would suffer unfair economic or competitive damage if the information were made known to Verizon's competitors. They could use this information to gain a competitive advantage over Verizon in the marketplace, and Verizon is not privy to the same details about its competitors' businesses.

8. In addition, to the extent there is litigation in the matter of the OSBA's complaints against Verizon's 2008 PCO filings, it is likely that Verizon will be required to disclose proprietary and/or competitively sensitive information in response to discovery or in connection with testimony or pleadings. Verizon therefore requests that the proposed form of protective order also be made applicable to any proprietary information that may be required to be disclosed during the course of any litigation to resolve the OSBA complaints.

9. The attached form of order proposed by Verizon is based upon the protective order paragraphs Verizon requested and was granted to cover proprietary information related to its recent Biennial Update to its Chapter 30 Network Modernization Plan.

Verizon Pennsylvania Inc.'s and Verizon North Inc.'s 2007 Biennial Network Modernization Plan (NMP) Update Report Re: Petition for Protective Order, Docket No. P-00072327 (Order entered September 5, 2007). This form of proposed protective order

has been modified to include specific language from the ordering paragraphs in the Embargo Order.

10. On November 1, 2007, Verizon filed proprietary versions of Verizon PA's and Verizon North's 2008 PCO filings. Together with this Petition, Verizon is submitting public versions of those filings. Verizon's cover letters and executive summaries to each filing are public, and nothing is redacted from those portions of the filings. Redactions are made to certain portions of the attachments to the filing, to remove the proprietary information discussed above from public disclosure. The public versions of the filings disclose each Verizon company's total PCO revenue increase entitlement and each company's total bases noncompetitive revenue. Because no rate increases are being implemented with the filings, there is no "proposed" or changed level of noncompetitive revenue. However, certain other details of Verizon's revenue changes to comply with the 2006 and 2007 PCO orders are also made public.

WHEREFORE, Verizon respectfully requests that the Commission enter the attached Protective Order.

Respectfully submitted,

Date: December 4, 2007



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Counsel for Verizon Pennsylvania Inc.
and Verizon North Inc.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Verizon Pennsylvania Inc.'s 2008 Price : Docket No. P-00930715F1000
Change Opportunity' Filing : Docket No. C-20078513
:

Verizon North Inc.'s 2008 Price : Docket No. P-00001854F1000
Change Opportunity' Filing : Docket No. C-20078514

PROTECTIVE ORDER

THEREFORE,

IT IS ORDERED:

1. This Protective Order submitted by Verizon Pennsylvania Inc. and Verizon North Inc. ("Verizon" or the "Verizon companies") is hereby granted with respect to the Verizon companies' respective 2008 Price Change Opportunity ("PCO") filings with the Commission, consistent with the scope of the proprietary protections granted by this Protective Order. This Protective Order shall apply to all litigation resulting from Verizon's 2008 PCO filings at the above docket numbers. All persons now and hereafter granted access to the materials and information identified in Ordering Paragraph Nos. 2 and 3, below, shall use and disclose such information only in accordance with this Protective Order.

2. The materials subject to this Protective Order are the Petitioning Carriers' respective 2008 PCO filings, including all correspondence, documents, data, information, studies, methodologies and other materials in any form that a party or an affiliate of a party furnishes in any of these proceedings that are claimed to be of a proprietary or confidential nature, that are designated "PROPRIETARY" (hereinafter collectively referred to as "Proprietary Information"), and that are consistent with the scope of the proprietary protections granted by this Protective Order. Proprietary

Information shall include, but is not limited to, information that is either specified as confidential by its terms, or pertains to business practices that are commercially sensitive, or that is ordinarily considered and treated as proprietary or confidential by the producing party; and, all information contained therein or derived therefrom, including but not limited to all copies, excerpts or summaries thereof. Disaggregate demand, base annual revenue data, proposed annual revenues, and annual revenue changes data are entitled to proprietary treatment; however, the aggregate base annual revenues, proposed annual revenue revenues and annual revenue change are not entitled to proprietary treatment and shall be made public.

3. In addition, while no such information appears in the 2008 PCO filings themselves, during the course of any litigation relating to this matter, consistent with the scope of the proprietary protections granted by this Protective Order, the Petitioning Carriers may mark extremely sensitive Proprietary Information as “HIGHLY CONFIDENTIAL” (hereinafter referred to as “Highly Confidential Information”) and, thus, secure the additional protections set forth in this Protective Order pertaining to such material. Highly Confidential Information shall be only such Proprietary Information that constitutes or describes the producing party's “commercially-sensitive information” regarding competitive strategies and options; non-public market share data and projections; marketing materials or ideas that have not yet been disclosed publicly; and customer-identifying information and customer prospects.

4. Proprietary Information and Highly Confidential Information filed with the Commission or placed into the evidentiary record shall be made available to the Commission and its advisory staff for use in any of these proceedings. For purposes of filing, to the extent that Proprietary Information or Highly Confidential Information is placed in the Commission's report folders, such information shall be handled in accordance with routine Commission procedures inasmuch as the report folders are not subject to public disclosure. To the extent that Proprietary Information or Highly

Confidential Information is placed in the Commission's testimony or document folders, such information shall be separately bound, conspicuously marked, and accompanied by a copy of this Protective Order.

5. *Proprietary Information and Highly Confidential Information shall be made available in any of these proceedings pursuant to the following procedures:*

a. Proprietary Information. Prior to making Proprietary Information available to any employee, officer or director of a party for purposes of participating in any of these proceedings, a party's counsel shall deliver a copy of this Protective Order to such person and shall receive the written Nondisclosure Agreement from that person in the form attached to this Protective Order and designated as "Appendix A." Counsel shall promptly deliver to the producing party a copy of the executed acknowledgement form. Counsel of record to the parties are deemed to have reviewed this Order and agreed to its content and, therefore, shall not be required to sign the Nondisclosure Agreement.

b. Highly Confidential Information. Information designated as Highly Confidential shall be provided only to counsel of record, including counsel representing the Office of Consumer Advocate, the Office of Small Business Advocate, and the Office of Trial Staff, and such other attorneys within the same law firm, government bureau, or legal department as counsel of record, who are legally advising a party and who have executed a Nondisclosure Agreement and to outside experts retained by a party for purposes of any of these proceedings to the extent set forth below. If the counsel of record desires to disclose Highly Confidential Information to any persons other than counsel of record or the party's outside expert, she or he shall submit a written request to the producing party's counsel. If the requesting and producing parties are unable to reach agreement with respect to such a request, they may submit the issue orally to the presiding Administrative Law Judge for resolution. Highly Confidential Information

shall not be disclosed to any person who has marketing, product development, market analysis, market entry, financial planning, strategic planning or similar responsibilities for: (i) any party to this proceeding or any competitor of a party; or (ii) any person employed or retained by or reasonably anticipated to be employed or retained by a party or a competitor of a party, or any person who will have those responsibilities in the foreseeable future. In addition, where a person has any duty conflicting with this limitation, but that person is responsible for making litigation decisions in any of these proceedings for the party, and where the information is critical to such decision-making, that person shall take all reasonable steps to limit his or her exposure to Highly Confidential Information and it will be a direct violation of this Protective Order for such person to rely on Highly Confidential Information obtained through discovery in this case to carry out marketing, product development, market analysis, market entry, financial planning, strategic planning or any other responsibilities not directly related to any of these proceedings. Highly Confidential Information may be viewed by an outside expert(s) retained by a party for purposes of any of these proceedings, provided such expert(s) fully meets all of the qualifications of this paragraph for access to Highly Confidential Information and, prior to disclosure, the party provides an affidavit signed by such expert attesting to his or her qualifications under this paragraph and receives an acknowledgement from the disclosing party. Counsel of record to each of the parties is deemed to have reviewed this Order and agreed to its content and, therefore, shall not be required to sign a Nondisclosure Agreement.

c. No other persons may have access to Proprietary Information or Highly Confidential Information except as authorized by order of the Commission or of the presiding Administrative Law Judge. No person who may be entitled to receive or who is afforded access to any Proprietary Information or Highly Confidential Information shall use or disclose such information for the purposes of business or competition, or any purpose other than the preparation for and conduct of any of these proceedings or any administrative or judicial review thereof.

6. Prior to making Proprietary Information or Highly Confidential Information available to any person as provided in Ordering Paragraph No. 5, above, counsel for a party of record shall deliver a copy of this Protective Order to such person and shall receive a Nondisclosure Agreement from that person in the form attached to this Protective Order and designated as "Appendix A." Counsel shall promptly deliver a copy of this executed Nondisclosure Agreement to the producing party.

7. A producing party shall designate data or documents as constituting or containing Proprietary Information or Highly Confidential Information by affixing an appropriate proprietary stamp or typewritten or handwritten designation on such data or documents. Where only part of data compilations or multi-page documents constitutes or contains Proprietary Information or Highly Confidential Information, the producing party, insofar as reasonably practicable within discovery and other time constraints imposed in this proceeding, shall designate only the specific data or pages of documents that constitute or contain Proprietary Information or Highly Confidential Information.

8. Any federal agency that has access to and/or receives copies of the Proprietary Information or Highly Confidential Information will consider and treat the Proprietary Information or Highly Confidential Information as within the exemption from disclosure provided in the Freedom of Information Act as set forth at 5 U.S.C. § 552(b)(4) until such time as the information is found to be non-proprietary.

9. Any state agency which has access to and/or receives copies of the Proprietary Information or Highly Confidential Information will consider and treat the Proprietary Information or Highly Confidential Information as within the exemptions from disclosure provided in the Pennsylvania Right-to-Know Law as set forth at 65 P.S. § 66.1(2) until such time as the information is found to be non-proprietary.

10. Any public reference to Proprietary Information or Highly Confidential Information by the Commission or by counsel or persons afforded access thereto shall be to the title or exhibit reference in sufficient detail to permit persons with access to the Proprietary Information or Highly Confidential Information to fully understand the reference and not more. The Proprietary Information or Highly Confidential Information shall remain a part of the record, to the extent admitted, for all purposes of administrative or judicial review.

11. Part of any record of any of these proceedings containing Proprietary Information or Highly Confidential Information, including but not limited to all exhibits, writings, testimony, cross examination, argument, and responses to discovery, and including reference thereto as mentioned in Ordering Paragraph No. 10, above, shall be sealed for all purposes, including administrative and judicial review, unless such Proprietary Information or Highly Confidential Information is released from the restrictions of this Protective Order, either through the agreement of the parties or pursuant to an order of an Administrative Law Judge or the Commission. Unresolved challenges arising under Ordering Paragraph No. 12, below, shall be decided on motion or petition by the presiding officer and/or the Commission as provided in 52 Pa. Code § 5.423(a). All such challenges will be resolved in conformity with existing rules, regulations, orders, statutes, and precedent to the extent such guidance is available.

12. The parties affected by the terms of this Protective Order shall retain the right to question or challenge the confidential or proprietary nature of Proprietary Information or Highly Confidential Information; to question or challenge the admissibility of Proprietary Information or Highly Confidential Information on any proper ground, including but not limited to irrelevance, immateriality or undue burden; to seek an order permitting disclosure of Proprietary Information or Highly Confidential Information beyond that allowed in this Protective Order; and to seek additional measures of protection of Proprietary Information or Highly Confidential Information beyond those

provided in this Protective Order. If a challenge is made to the designation of a document or information as Proprietary or Highly Confidential, the party claiming that the information is Proprietary or Highly Confidential retains the burden of demonstrating that the designation is necessary and appropriate.

13. Upon completion of each of these proceedings, including any administrative or judicial review, all copies of all documents and other materials, including notes, which contain any Proprietary Information or Highly Confidential Information, shall be immediately returned upon request to the party furnishing such Proprietary Information or Highly Confidential Information. In the alternative, parties may provide an affidavit of counsel affirming that the materials containing or reflecting Proprietary Information or Highly Confidential Information have been destroyed.

BY THE COMMISSION,

James J. McNulty
Secretary

APPENDIX A

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Verizon Pennsylvania Inc.'s 2008 Price :
Change Opportunity' Filing :
: Docket No. 20078513

Verizon North Inc.'s 2008 Price :
Change Opportunity' Filing :
: Docket No. 20078514

NONDISCLOSURE AGREEMENT

The undersigned is the expert, officer, member, employee or counsel of
_____ (the retaining party).

The undersigned has read and understands the Protective Order issued to protect information in Dockets No. 20078513 and 20078514, which Order deals with the treatment of Proprietary and High Confidential Information. The undersigned agrees to be bound by, and comply with, the terms and conditions of said Order. The undersigned agrees that any Proprietary and Highly Confidential Information shall be used or disclosed only for purposes of preparation for, and conduct of the proceedings at Dockets No. 20078513 and 20078514, and any administrative or judicial review thereof, and shall not be disclosed or used for any other purposes whatsoever.

Signature

Print Name

Address

Employer

Date: _____