

State of Missouri

John Ashcroft, Governor

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January 23, 1987

Douglas M. Brooks Public Counsel



Mr. Harvey G. Hubbs, Secretary Missouri Public Service Commission P.O. Box 360 Jefferson City, Missouri 65102

Re: Tax Reform Act Case No. AO-87-48

Dear Mr. Hubbs:

Enclosed for filing in the above referenced case please find the original and fourteen copies of the Office of Public Counsel's Motion To Unseal And Make Public Reports Filed By Certain Public Utilities. I have on this date mailed or hand-delivered copies to all parties of record. Please file stamp the enclosed extra copy and return to our office.

Thank you for your assistance in this matter.

Very truly yours,

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Douglas M. Brooks Public Counsel

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Enc.

cc: Parties of record



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BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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PUBLIC SERVICE COMMISSION

In the matter of the investigation of the revenue effects upon Missouri utilities of the Tax Reform Act of 1986.

Case No. AO-87-48

MOTION TO UNSEAL AND MAKE PUBLIC REPORTS FILED BY CERTAIN PUBLIC UTILITIES

Comes now the Office of the Public Counsel ("Public Counsel") and moves that the Public Service Commission ("Commission") issue an order to unseal and make public the reports and comments filed under seal in this docket by Kansas City Power and Light Co. ("KCPL"), Southwestern Bell Telephone Co. ("SWB") and AT&T Communications of the Southwest, Inc. ("AT&T"), and to amend its Order Establishing Docket in this case, and in support thereof states as follows:

1. That in its Order Establishing Docket in this case the Commission ordered certain public utilities to file reports regarding the revenue requirement impact of the federal Tax Reform Act of 1986. The Commission further stated in the Order that if the reports contained confidential or proprietary information, the reports could be filed under seal pursuant to Section 386.480, RSMo.

2. That only three of the public utilities filing as required on or about December 15, 1986 requested confidential treatment of the reports, those utilities being KCPL, SWB, and AT&T.

3. That in their December filings each of these utilities alleged that the reports, comments and workpapers submitted by them contained confidential and proprietary information, and were submitted in their entirety under seal. Neither KCPL, SWB nor AT&T identified the specific information which they considered to be confidential and proprietary, nor did they explain why their filings should be afforded such treatment.

4. That by their actions KCPL, SWB and AT&T have kept from the public and their ratepayers information filed openly by every other public utility subject to the Commission's Order, such as the specific dollar impact of the federal Tax Reform Act of 1986 on their 1985 jurisdictional operating results and their comments regarding plans or proposals for reflecting the impact of the tax law changes upon their operations.

5. That in filing each and every item of data, piece of information and their comments under seal, the subject companies are guilty of overreaching in that most of what was filed can in no way be described as confidential or proprietary. For example, comments regarding the merits of various procedural alternatives for flowing back the tax savings to ratepayers have no business being filed under seal, as they disclose no protectable business secrets. Procedural arguments have never to this Office's knowledge been afforded confidential treatment by this Commission. Further, all of the income statement-type information filed by these companies appears to be the same type of data filed in the public record during rate cases, in both company minimum filing requirement and testimony, and in company annual reports. Attachment A to SWB's Response is an excellent example of this type of data. Finally, the bottom line information, namely, the effects of the 40% blended rate and the 34% final rate on 1985 results, constitute the heart of the filings and could be utilized to determine the extent to which company income tax expense is

overstated in current rates. The magnitude of such effects have already become the subject of public debate and discussion and could be the basis for ordering rate reductions if legislation pending in the General Assembly (HB 491 and SB 257) becomes law. No claim to confidentiality can be reasonably advanced for this data.

6. That the Commission pursuant to Section 386.480, RSMo, is the ultimate arbiter of what information may be kept under seal and what information should be open to public inspection.

7. That to resolve the issues raised by this Motion the Commission should order KCPL, SWB and AT&T to submit, under seal if they so desire, their respective justifications for continued confidential treatment of each and every part of their December filings. Public Counsel suggests that the Commission urge the companies to voluntarily make public as much of their filings as possible, so as to limit argument before the Commission to a relatively small an amount of data. In terms of a schedule, Public Counsel recommends that the subject companies should be given no more than ten (10) days from the filing of this Motion to file their responses, and that Public Counsel and other interested parties should be given no more than three (3) additional days in which to respond. Given the public interest in this matter as well as the February 28, 1987 filing date for 1986 data the Commission should proceed on an expeditious basis to rule on this Motion.

8. That a Commission order granting this Motion, either in whole or in part, should amend its Order Establishing Docket in thiscase in order to specify which limited amount of information to be filed on February 28, 1987, will be granted confidential and proprietary treatment.

WHEREFORE, Public Counsel respectfully requests that the Commission, pursuant to the procedures suggested herein above, determine whether any of the comments, reports and/or workpapers filed by KCPL, SWB and AT&T should be kept under seal, and if not order that all or any part of said filings be unsealed and opened to public inspection as part of the public record of this docket, and to amend its Order Establishing Docket previously entered in this case in order to limit the amount of information to be filed under seal on February 28, 1987, and for such further orders as the Commission may reem necessary.

> Respectfully submitted, OFFICE OF PUBLIC COUNSEL

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