ATTACHMENT A

AMENDED DECLARATION OF VERIZON WIRELESS REGARDING CONFIDENTIALITY OF INFORMATION IN THE MASTER DARK FIBER LEASE AGREEMENT BETWEEN SOUTHERN CALIFORNIA EDISON COMPANY AND CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS

I, Jesús G. Román, declare as follows:

On November 17, 2016, Cellco Partnership D/B/A Verizon Wireless ("Verizon Wireless") executed a Dark Fiber Lease Agreement between Southern California Edison Company and Cellco Partnership d/b/a Verizon Wireless ("Agreement"). This Agreement was the product of confidential negotiations and certain portions of the Agreement include information that Verizon Wireless is seeking to protect as confidential proprietary information and trade secrets under long-established California precedents. Accordingly, Verizon Wireless has requested Southern California Edison ("SCE") to ensure that the portions of the Agreement that contain confidential information not be disclosed publicly and, to the extent SCE is required to provide the California Public Utilities Commission (the "Commission") a version of the Agreement for disclosure to the public, that SCE provide a redacted copy.

The redacted information contained in the Agreement is competitively sensitive, confidential, proprietary and constitutes a trade secret of Verizon. Specifically, the confidential information falls into three categories:

Template terms and conditions. In its negotiation of commercial contracts with third parties, such as SCE, Verizon Wireless typically starts with a template form of agreement. That template agreement, standing alone, is considered confidential information of Verizon Wireless and is the product of years of effort by internal business clients and attorneys that support the network organization. Indeed, it is standard practice that Verizon Wireless will not disclose its template agreement to any third party unless that third party has first signed a confidentiality agreement. The template incorporates Verizon's "going-in" position on numerous commercial and technical issues that, at any point in time, reflects Verizon's current view on an acceptable risk allocation between the vendor and Verizon. The template also reflects Verizon's real world experience as a wireless service provider in negotiating and addressing issues that have arisen in connection with both lit or dark fiber projects throughout the United States. The templates have been modified to take account of issues that have arisen and been resolved between Verizon and other third party vendors. As such, the template reflects the sum total of that experience, and constitutes valuable intellectual property of Verizon. The template provides economic value to Verizon by virtue of it not being public and its public disclosure without restrictions on its use or further disclosure would be of high economic value to any wireless carrier seeking to compete against Verizon. Verizon has taken care to only redact those terms from the template that could be used by others to its competitive disadvantage and constitute a trade secret.

<u>Negotiated Positions</u>. Verizon is also concerned about language in the document that has been negotiated with SCE, a public utility company, and that reflects a decision by Verizon

to alter the risk allocation from the standard found in its templates in some respect. These changes need to be evaluated in their entirety. Verizon may have been able to accept certain changes to a particular provision based upon other changes that are made elsewhere in the document or based upon some unique aspect of the SCE market that may not apply to other markets or vendors. To allow third parties to see the negotiated agreement would open the possibility that in future negotiations against Verizon, those vendors would seek to cherry-pick provisions to their favor and to make the argument that they are entitled to the same provisions as SCE. The point is that SCE is a different party, operating in a different market, with different resources and concerns. Verizon is placed at a distinct disadvantage in negotiations with third party vendors if its negotiated agreements become public, and Verizon seeks to avoid that result. Disclosure of the negotiated positions would harm Verizon and be of high economic value to any wireless carrier seeking to compete against Verizon.

Technical Information. The Agreement contains exhibits that include technical specifications of the fiber and the service that Verizon is purchasing, as well as technical details regarding the installation of the fiber or service by SCE. This information relates to the development of utility fiber infrastructure. There is clearly, in this day of real world- and cyberterrorism, a heightened and well-founded concern regarding security of telecommunications infrastructure, and the technical details of the Verizon network should therefore not be made public. The technical details regarding the installation of the fiber or services are also corporate proprietary and competitively sensitive. Verizon has developed these technical specifications based on its real world experience as a major wireless service provider with respect to both lit and dark fiber projects throughout the United States and its understanding of applicable laws, rules, and regulations. They also reflect Verizon's view of the current and future cutting-edge advances in the relevant technologies (e.g., the planned introduction of 5G technologies in markets throughout the United States). As such, the technical specifications provide economic value to Verizon by not being public and they would be of high economic value to any wireless carrier seeking to compete against Verizon. Indeed, the intense competition among wireless carriers to be first to deploy 5G technologies is well documented in both news channels of general interest as well as industry publications. Verizon protects technical specifications of its Network by utilizing a more stringent and more protective "Level 2 NDA" when sharing confidential information regarding the physical location of circuitry or secure facilities.

Verizon Wireless restricts internal disclosure of all three categories of confidential information—the template agreement, negotiated positions, and technical information—to employees with a need to know. Verizon also employs standard protocols for assessing requests for confidential information, which specify the use of confidentiality agreements. The confidentiality agreement that Verizon Wireless requires as standard practice before disclosing its template agreement to any third party also protects the negotiated positions and the technical information. Verizon protects existing contracts by including in the footer of each page of the contract the legend "Verizon Contract No. XXX Confidential and Proprietary," thereby indicating that the entire Agreement constitutes confidential information that is not subject to disclosure or use for any purpose other than was intended by the parties. The SCE Agreement includes the confidentiality footer legend. The confidentiality provision of the Agreement itself limits dissemination of confidential information to those employees and agents of SCE with a need to know the information. The Agreement also recites that a violation of the confidentiality provision by a party would cause irreparable harm and injury to the non-violating party and that

injunctive relief can be sought to prevent disclosures or misuse of confidential information in addition to money damages and other legal remedies. Even disclosure to an SCE employee without a job responsibility that required the individual to have actual knowledge of the information would not be authorized. The idea of making such sensitive information available to the general public—none of whom have a need to know the information—would be negligent at best, and a public security threat at worst.

In summation, Verizon derives significant economic value and a business advantage over its competitors by these redacted provisions remaining confidential and not generally known to the public. Public disclosure of the redacted provisions would (1) harm Verizon competitively and provide economic value to Verizon's competitors; (2) create additional difficulties for Verizon in negotiating future commercial agreements with third party vendors; (3) disclose confidential technical information relating to the development of utility fiber infrastructure; and (4) potentially constitute a security risk given the technical nature of certain of the information regarding network infrastructure. Indeed, during the time since SCE and Verizon executed the Agreement, the fiber market in California has become only more competitive, increasing the economic value of Verizon's confidential, proprietary, and trade secret information and the competitive harm that would come from public disclosure.

Apart from the clear benefit to Verizon, it also should be recognized that the public disclosure of confidential information would harm the public interest. The decision by a technology company to enter and to actively engage in building out any given market depends, in large part, on its assessment of whether, in doing so, its trade secrets and intellectual property can and will be protected by its counterparty - - and be protectable under the regulatory framework that its counterparty operates under. Such protection is a bedrock requirement of advanced technology companies that recognize and must live with the fact that, once its trade secrets and intellectual property are disclosed or made public, a valuable asset can be lost forever. Accordingly, a regulatory framework to ensure adequate protection of this type of information will foster competitive innovation in the fiber market and would be a key consideration for Verizon as it makes decisions regarding additional investments in California related to the deployment of advanced communications technology.

The redacted information is protected from disclosure under the California Public Records Act. Specifically, California Government Code, Section 6254.15 of the California Public Records Act, provides that nothing in the Act "shall be construed to require the disclosure of records that are any of the following: corporate financial records, corporate proprietary information including trade secrets" Section § 6254(k) also exempts trade secret from disclosure, by incorporating the trade secret privilege in California Evidence Code Section 1060. And "geophysical data . . . and similar information relating to utility systems development . . . that are obtained in confidence from any person" are exempted from disclosure pursuant to California Government Code, Section 6254(e).

Accordingly, for the reasons cited, the Commission should not require or permit the disclosure to the public of any redacted information in the Agreement.

I declare on information and belief that the information provided herein is true and correct and on that basis so affirm. I have been designated by Verizon Wireless officer Brian Mecum to submit this declaration.

Executed this 27th day of July 2018 at Simi Valley, California

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Jesús G. Román