

STATE OF IOWA
DEPARTMENT OF COMMERCE
IOWA UTILITIES BOARD

IN RE:	DOCKET NO. NOI-2019-0001
INQUIRY INTO REGULATORY REQUIREMENTS FOR ALTERNATIVE OPERATOR SERVICES COMPANIES	AFFIDAVIT IN SUPPORT OF APPLICATION FOR CONFIDENTIAL TREATMENT OF SECURUS TECHNOLOGIES, INC.

I, Michael Lozich, under oath state that I am the Senior Corporate Counsel and Director of Regulatory and Governmental Affairs for Securus Technologies, Inc. (“Securus”). In that role, I supervise and direct activities with respect to federal and state regulatory compliance and reporting, state regulatory tariff filings, and the handling of complaints from federal and state regulatory agencies.

1. I have knowledge that Securus’ Response to Order Initiating Inquiry (“Response”) filed on September 19, 2019, and December 17, 2019, includes proprietary and sensitive business information that constitutes trade secret information under Iowa Code section 550.2(4) and is entitled to remain confidential under Iowa Code sections 22.7(3) and (6).
2. The information contained in Securus’ Response constitutes confidential trade secret information under Iowa Code section 550.2(4) for the following reasons.
 - a. The information is highly sensitive and is not generally known to or readily ascertainable by competitors or the public. The information consists of a detailed list of variables Securus uses when calculating rates and submitting bid proposals to correctional facilities seeking inmate calling services (“ICS”). Securus’ application of these variables to a particular set of facts and facility requirements is what determines the rates it can offer to a

correctional facility seeking ICS bids and, in turn, whether Securus gets that facility's ICS contract over its competitors.

- b. Securus derives independent economic value from keeping the information confidential in that its competitors could more readily ascertain or strategize regarding its business model with access to the information. Because the information pertains to Securus' strategy in competitive bidding situations, release of the information would cause significant economic harm to Securus in submitting competitive bids. In particular, competitors could use knowledge of this information to undercut Securus in competitively bidding ICS contracts.
 - c. Securus vigorously guards the information and makes extensive efforts to maintain its secrecy, including limiting its disclosures internally and sharing it externally only under extraordinary circumstances in which the information is legally protected from disclosure. In addition, Securus has consistently requested confidential treatment when providing information regarding the manner in which it derives rates or bids ICS contracts in proceedings before the Iowa Utilities Board and other regulatory agencies.
3. Public release of the confidential information contained in the Response would substantially injure Securus' economic and business interests. The information for which confidential treatment is sought reflects and determines the manner in which Securus performs an extremely critical business processes goes to one of the key competitive factors that distinguishes Securus from other ICS providers in a competitive bidding process — rate setting and bid making. Public release of the confidential information in the Response

would help Securus' competitors to anticipate and undercut Securus' proposed rates in the competitive bidding scenarios through which ICS contracts are awarded, thereby impairing Securus' ability to secure or retain ICS contracts.

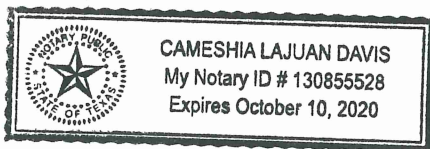
4. Public release of the confidential information contained in the Response to the public would therefore give significant advantage to Securus' competitors by allowing them to adjust their proposed rates in competitively bidding ICS contracts. Because proposed rates are a core factor determining which ICS provider is awarded a given ICS contract and the confidential information will allow Securus' competitors to anticipate the rates Securus will propose in competitive bidding scenarios, public release of the information will substantially assist Securus' competitors in obtaining business.
5. Public release of the confidential information contained in the Response would serve no public purpose. The confidential information reflects the internal methodology of a private company, as opposed to outcomes and services for public use (e.g., rates that were charged to members of the public, services on which public funds were spent, how efficiently public funds were spent, etc.).

The information provided in this Affidavit is true and correct to the best of my knowledge.

[REDACTED]
Michael Lozich

Signed and sworn to before me this 16th day of December, 2019.

(seal)



[REDACTED]
Notary Public for the State of Texas

My commission expires: October 10, 2020