

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 19th day
of May, 2010.

In the Matter of Southwestern Bell Telephone)	
Company, d/b/a AT&T Missouri's Petition for Relief)	
from its Prior Commitments to make an Annual Cost)	<u>File No. IE-2010-0308</u>
Allocation Manual ("CAM") Filing and Submit a)	
Surveillance Data Report)	

**ORDER GRANTING PETITION FOR RELIEF
FROM FILING CAM AND SURVEILLANCE DATA REPORT**

Issue Date: May 19, 2010

Effective Date: May 29, 2010

On May 4, 2010, Southwestern Bell Telephone Company, d/b/a AT&T Missouri filed a petition for relief from filing a Cost Allocation Manual and Surveillance Data Report. In its petition, AT&T informs the Commission that AT&T no longer operates under rate-based rate-of-return regulation and that the prices of its services are no longer subject to cost. For this reason, the company seeks to be relieved of its obligation to provide an annual Cost Allocation Manual and from submitting a Surveillance Data Report.

Cost Allocation Manual

Federal regulation required AT&T to file a Cost Allocation Manual.¹ Thereafter, interstate rates under price cap regulation were no longer based on costs and the FCC no longer had use of the information provided by the cost assignment rules. Therefore, AT&T

¹ 47 C.F.R. 64.903

petitioned the Federal Communications Commission for relief from this responsibility,² which the FCC granted.³ In Missouri, for the purpose of reviewing Southwestern Bell's affiliate transactions within a rate case format to determine whether it was following approved procedures, Southwestern Bell agreed to file an annual Cost Allocation Manual with the Commission.⁴ Although the company will continue to maintain this information, it now seeks to be relieved of this obligation.

Surveillance Data Report

Similarly, because AT&T is no longer subject to rate-of-return based regulation and is now a competitive company, it requests relief from having to file a Surveillance Data Report. This report provides financial information that Staff previously used to monitor company earnings subject to rate-of-return regulation. AT&T explains that the commitment to submit this information arose over 30 years, when it began submitting the information on a monthly basis. Since that time, the submission of the report has subsided with the level of regulation over AT&T.

Staff Recommendation

The Staff of the Commission filed its recommendation on May 14, 2010. Staff agrees that because AT&T is no longer under rate-of return regulation and is classified as a competitive company, it is no longer necessary for AT&T to file a Cost Allocation Manual or to submit a Surveillance Data Report.

² *Petition of AT&T Inc. for Forbearance Under 47 U.S.C §160(c) from Enforcement of Certain of the Commission's Cost Assignment Rules*, WC Docket Nos. 07-21, 05-342.

³ *Memorandum Opinion and Order*, 23 FCC Rcd. 7302 (2008).

⁴ *In the Matter of the Investigation of Southwestern Bell Telephone Company's Affiliate Transactions*, Case No. TO-94-184.

Conclusion

The Commission has reviewed the company's application and Staff's recommendation and will grant the requested relief.

THE COMMISSION ORDERS THAT:

1. Southwestern Bell Telephone Company, d/b/a AT&T Missouri's Petition for Relief from Filing Cost Allocation Manuals and Surveillance Data Reports is granted.
2. This order shall become effective on May 29, 2010.
3. This case shall be closed on May 30, 2010.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Clayton, Chm., Davis, Jarrett,
Gunn, and Kenney, CC., concur.

Jones, Senior Regulatory Law Judge