

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 23rd
day of March, 1982.

CASE NO. TR-82-199

In the matter of the filing by
Southwestern Bell Telephone
Company of new intrastate rates,
tolls and charges applicable to
intrastate telecommunication
services furnished within the
State of Missouri.

SECOND SUSPENSION ORDER AND
NOTICE OF PROCEEDINGS

The revised tariffs filed in this matter, reflecting increased rates for service provided to customers in the Missouri service area of the Company, have previously been suspended for a period of one hundred twenty (120) days beyond their requested effective date, unless otherwise ordered by the Commission. The Commission is of the opinion that the investigation of these tariffs cannot be completed within one hundred twenty (120) days and that the tariffs should be further suspended for a period of six (6) months, unless otherwise ordered by the Commission.

Inasmuch as the Commission is required by law to give the hearing and decision of rate increase cases preference over all other questions pending before it and to decide the same as speedily as possible, and since the burden of proof that the proposed rates are just and reasonable is upon the Company proposing same, the Commission is of the opinion that a hearing should be scheduled at which time the Company shall present its entire case in support of these proposed rates. To facilitate the hearing process in this matter, the Commission concludes that a schedule of proceedings should be established, and that all parties should be required to file prepared testimony and exhibits in advance of the hearing, as hereinafter ordered.

The Commission is further of the opinion that the Secretary of the

Commission should serve a copy of this Order upon the Mayor of each city, and the County Court of each county in the Company's service area. In addition, the Secretary shall send notice of this Order to the publisher of each newspaper located in the counties in which the Company provides service, as listed in the Newspaper Directory of the current Official Manual of the State of Missouri, and to the members of the General Assembly representing the Missouri area served by the Company.

Any city, county, or other proper entity desiring to intervene in this proceeding shall file its application to intervene within thirty (30) days following the date of this Order as provided by 4 CSR 240-2.110(14) and shall serve a copy of the application on the Company's attorney: Jack C. Lorenz, 100 N. Tucker Blvd., Room 630, St. Louis, Missouri 63101.

The Commission is also of the opinion that the Company should give notice to its customers pursuant to 4 CSR 240-2.110(12) in the manner provided below.

The Commission will require the prefiling of prepared direct, rebuttal and, to the fullest extent possible, surrebuttal, testimony and exhibits in this case. The practice of prefiling testimony and exhibits is designed to give parties notice, at the earliest reasonable opportunity, of the claims, contentions and evidence in issue and to avoid unnecessary objections and delays in the proceedings caused by allegations of unfair surprise at the hearing.

Each party's prepared "direct" testimony and exhibits must include all testimony and exhibits asserting and explaining that party's proposed adjustments to the Company's book figures, as well as all testimony and exhibits asserting and supporting that party's proposed rate base, proposed rate of return, proposed rate design, and any other proposed changes in or additions to the Company's tariffs. The "direct" testimony and exhibits must also include all testimony and exhibits regarding issues concerning the quality of service being provided by the Company. Each party shall file its entire "direct" case in accordance with the deadlines established and all direct testimony and

exhibits shall be prefiled. Witnesses will not be permitted to supplement the prefiled direct case at the hearing.

"Rebuttal" testimony and exhibits include testimony and exhibits which explain why a party rejects or disagrees with adjustments to book figures proposed by another party, and testimony and exhibits which explain why a party rejects or disagrees with the rate base, rate of return, rate design or any other changes in or additions to the Company's tariffs proposed by another party. "Rebuttal" testimony and exhibits also include testimony and exhibits which are responsive to the testimony and exhibits contained in any other party's direct case regarding the quality of service being provided by the Company. Rebuttal testimony and exhibits on any issue in this case must be prefiled, and shall be served on all parties not less than three (3) days before the hearing of that issue before the Commission. Witnesses will not be permitted to supplement prefiled rebuttal testimony. The Commission will not countenance any effort to present a party's entire case as "rebuttal."

"Surrebuttal" testimony and exhibits on any issue in this case must be prefiled, and shall be served on all parties not less than one (1) day before the hearing of that issue before the Commission. "Surrebuttal" testimony and exhibits must be limited to material which is responsive to matters raised in another party's "rebuttal" testimony and exhibits, and are not to merely bolster or reiterate matters previously presented by direct or rebuttal testimony and exhibits. Some surrebuttal testimony may be generated by the cross-examination of a witness in the hearing, and thus cannot be prefiled. However, parties will not be permitted to present surrebuttal testimony which was not prefiled if it could and should reasonably have been prefiled under the policy established in this Order.

Nothing herein, nor in any other order in this case, shall preclude a party from addressing, or having a reasonable opportunity to address, matters not previously disclosed and arising at the hearing. The Commission, in its discretion and for good cause shown, may waive strict application of these requirements.

Because of the increasing frequency of requests for true-up audits and true-up hearings, as a part of rate increase proceedings, the Commission is of the opinion that such requests should be filed with the Secretary of the Commission prior to the close of the prehearing conference. Submission of such requests in this manner should permit the Commission to consider the same during the course of the hearing.

The Commission also determines that this case is of such public interest as to warrant local public hearings in several locations throughout the State, as ordered below. These local hearings will afford opportunities for members of the public to express their views to the Commission concerning the rate increases proposed herein.

It is, therefore,

ORDERED: 1. That all proposed tariff sheets submitted on February 16, 1982 by Southwestern Bell Telephone Company in Case No. TR-82-199 for the purpose of increasing rates for telephone service provided to customers in its Missouri service area be, and are hereby, further suspended for a period of six (6) months beyond July 16, 1982, to January 16, 1983, unless otherwise ordered by the Commission.

ORDERED: 2. That any proper entity desiring to intervene and participate herein shall, except for good cause shown, file its application to intervene and serve a copy of same upon the Company's attorney on or before April 22, 1982.

ORDERED: 3. That the Company shall file fifteen (15) copies of its prepared testimony and exhibits with the Secretary of the Commission and shall serve two (2) copies of the same upon the Public Counsel and each intervenor, on or before April 26, 1982.

ORDERED: 4. That the Commission Staff shall file fifteen (15) copies of its prepared direct testimony and exhibits with the Secretary of the Commission, serve five (5) copies of same upon the Company, and two (2) copies of same upon the Public Counsel and each intervenor, on or before August 12, 1982.

ORDERED: 5. That the Public Counsel and all intervenors shall file fifteen (15) copies of their prepared direct testimony and exhibits with the Secretary of the Commission, serve five (5) copies of same upon the Company, and serve two (2) copies of same upon all other parties on or before August 12, 1982.

ORDERED: 6. That all parties in this matter shall file rebuttal testimony and exhibits, as defined herein, no less than three (3) days prior to the hearing before the Commission of the issue addressed by that rebuttal evidence; and shall file surrebuttal testimony and exhibits no less than one (1) day before the hearing of the issue addressed thereby. Such rebuttal and surrebuttal testimony and exhibits shall be filed with the Secretary of the Commission and served upon all parties in the quantities set forth in Ordered provisions 3, 4 and 5 above.

ORDERED: 7. That local public hearings on the rate increase proposed in this case shall be held as follows:

Friday, August 20, 1982, 1:00 p.m. and 7:00 p.m. at the Greene County Courthouse Annex, 833 Boonville Avenue, Springfield, Missouri;

Monday, August 23, 1982, 1:00 p.m. and 7:00 p.m. in the Legislative Assembly Area of the Jackson County Legislative Office, 415 E. 12th Street, Kansas City, Missouri;

Tuesday, August 24, 1982, 1:00 p.m. and 7:00 p.m. in the Associate Circuit Courtroom on the 1st Floor of the Pettis County Courthouse, Sedalia, Missouri;

Thursday, August 26, 1982, 1:00 p.m. and 7:00 p.m. in the City Council Chambers of the Cape Girardeau City Council, 401 Independence, Cape Girardeau, Missouri;

Friday, August 27, 1982, 1:00 p.m. in Room 208, St. Louis City Hall, Tucker Blvd. & Market Street, St. Louis, Missouri; and

Friday, August 27, 1982, 7:00 p.m. in the County Council Chambers, St. Louis County Council, 41 S. Central, Clayton, Missouri.

ORDERED: 8. That the Company be, and is hereby, ordered to notify each affected customer of any hearing by either an imprint on a bill, or in a separate notice accompanying a billing, at least fifteen (15) days but not more than forty-five (45) days before the first local public hearing set by this

Order, unless otherwise ordered by the Commission. Such notice shall be submitted by the Company to the Commission for approval at least fourteen (14) days before publication or distribution to any customers.

ORDERED: 9. That a prehearing conference in this matter be, and is hereby, scheduled to commence at 9:00 a.m., on August 30, 1982, in the Commission's hearing room on the tenth floor of the Jefferson State Office Building, Jefferson City, Missouri, and shall continue through September 10, 1982, as necessary.

ORDERED: 10. That a party's participation in the hearing in this matter is dependent upon the presence of the party's attorney at the prehearing conference, unless excused in accordance with 4 CSR 240-2.090(4).

ORDERED: 11. That all parties shall present their testimony, exhibits and witnesses for examination and cross-examination at a hearing commencing at 10:00 a.m., on September 13, 1982, and continuing through October 1, 1982, as necessary. Said hearing shall be held in the Commission's hearing room on the tenth floor of the Jefferson State Office Building, Jefferson City, Missouri.

ORDERED: 12. That any requests for a true-up audit or a true-up hearing in this matter shall be submitted to the Commission, in writing, prior to the conclusion of the prehearing conference.

ORDERED: 13. That this Order shall become effective on the date hereof.

BY THE COMMISSION

Harvey G. Hubbs
Harvey G. Hubbs
Secretary

(S E A L)

Fraas, Chm., McCartney, Shapleigh
and Musgrave, CC., Concur., Dority,
C., Absent.