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August 21, 1998

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

FILED
AUG 21 1998
Missouri Public
Service Commission

RE: In the Matter of the Merger between SBC Communications, Inc. and
Ameritech Corporation
Case No.: TM-99-176

Dear Mr. Roberts:

Enclosed for filing, in the above-referenced case, is the original and 14 copies of the Office of the Public Counsel's Motion to Open a Docket, To Establish a Procedural Schedule, and to Hold a Hearing. Please "file" stamp the extra-enclosed copy and return it to this office. I have also on this date mailed, faxed and/or hand-delivered the appropriate number of copies to all counsel of record.

Thank you for your attention to this matter.

Very truly yours,

A handwritten signature in cursive script, reading "Michael F. Dandino".

Michael F. Dandino
Senior Public Counsel

MFD:rjr

cc: Counsel of Record

Enclosure

FILED

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Missouri Public
Service Commission

Case No. TM-99-76

4. The merger will create a new super telecommunications firm that will become America's largest telephone company with one-third (1/3) of the local U.S. customers.

5. The Commission should exercise its jurisdiction under Sections 386.250(2), 386.320, and 392.300, RSMo. by opening a docket and holding a hearing to review the proposed merger transaction prior to granting or withholding its consent.

6. The Commission has previously invoked its jurisdiction and issued orders related to telecommunications mergers, transfers of assets, transfers of control, purchases of the capital stock of one telecommunications company by another, and acquisitions of telecommunications companies. An illustrative list of these types of cases considered by the Commission in May, June, and July, 1998 is attached hereto as Exhibit A.

7. It is in the public interest for the Commission to give this proposed merger close scrutiny to assure that the merger provides positive benefits directly to consumers and that the merger promotes full and open competition in Missouri's local telecommunication market.

8. The National Association of State Utility Consumer Advocates ("NASUCA") at its June, 1998 conference in Seattle, Washington adopted a resolution urging state regulatory agencies, among others, to give telecommunications mergers "close scrutiny" to assure that these mergers provide direct, positive benefits to consumers and that the mergers enhance full and open competition. A copy is attached hereto as Exhibit B.

9. This proposed proceeding would enable the Commission to require and attach conditions to the proposed merger to adequately safeguard consumers and to ensure that the claimed cost efficiencies of the merger are guaranteed through rate reductions to consumers.

10. This docket enables the Commission to review the effects of the merger on competition so that the merger does not unduly consolidate market and economic power to thwart or discourage local competition in Missouri.


11. This docket enables the Commission to balance and weigh the benefits to the consumers with the benefits to these two companies and their stockholders and to determine whether this merger is consistent with the public interest and enhances competition, all in accordance with the purpose, intent, and spirit of the Federal Telecommunications Act of 1996 and Senate Bill No. 507.

12. It is appropriate for the Commission to open a docket concerning this merger, to provide appropriate notice to the public and interested parties, to hold hearings, and to take evidence and comments on whether or not the merger is in the public interest, and promotes competition, and whether or not the Commission should grant or deny its consent to the merger or to place conditions on the merger to protect consumers.

WHEREFORE, the Office of the Public Counsel prays the Public Service Commission to make and enter its Order: (1) opening a docket for the consideration of the proposed merger; (2) notifying the public and interested parties of the proceedings and providing an opportunity for intervention; (3) establishing a procedure schedule; (4) setting an evidentiary hearing to hear evidence and comments in support and in opposition to the merger; and, (5) for such further and additional orders the Commission deems necessary.

Respectfully submitted,
OFFICE OF THE PUBLIC COUNSEL

BY:



Michael F. Dandino (Bar No. 24590)
Senior Public Counsel
301 East High Street, Box 7800
Jefferson City, MO 65102-7800
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CERTIFICATE OF SERVICE

I hereby certify that the foregoing document has been faxed, mailed, or hand-delivered to the following counsel of record on this 21st day of August, 1998:

Dana K. Joyce
General Counsel
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

Paul G. Lane // Leo J. Bub
Anthony K. Conroy
Southwestern Bell Telephone Company
One Bell Center, Room 3520
St. Louis, MO 63101-1976

James Mauze' // Thomas Pulliam
Ottsen, Mauze', Leggat, et al.
112 South Hanley, Midvale Building
St. Louis, MO 63105



EXHIBIT A

**MISSOURI PUBLIC SERVICE COMMISSION CASES,
MERGERS, TRANSFER OF ASSETS, AND
CONTROL AND STOCK PURCHASES MAY, JUNE, AND JULY, 1998**

- Case No. TM-98-539** Application to transfer assets of CBS Corporation (d/b/a Westinghouse Communications) to RSL Communications USA, Inc.
- Case No. TA-98-411** Regarding transfer of Control of Least Cost Routing, Inc. to Tres Com International, Inc.
- Case No. TM-98-222** Application of Tiger Telephone and New Florence Telephone Company for purchase of capital stock.
- Case No. TM-98-485** Application of CapRock Communications Corporation for approval of an agreement and plan of merger.
- Case No. TM-98-300** Joint Application of McLeodUSA Telecommunications Services, Inc. and Consolidated Communications Telecom Services, Inc. for approval of a merger.
- Case No. TM-98-503** Joint Application of McLeodUSA Telecommunications Services, Inc. Communications Cable-Laying Company, Inc. (d/b/a Dial US) for approval of transfer of assets.
- Case No. TM-96-222** Resale of stock of Payphone of America, Inc. to Phonetel Technologies, Inc.
- Case No. TM-98-253** Application of TCG Kansas City, Inc. for approval of transfer of assets and for certificate of authority.

- Case No. TM-98-426** Application of Frontier Corporation, Allnet Communications Services and Frontier Communications of the West for authority to reorganize.
- Case No. TM-98-409** Joint Application of Smartalk Teleservices, Inc. and American Express Telecom, Inc. for an order authorizing Smartalk to acquire American Express Telecom by stock purchases.
- Case No. TM-97-528** Request of Southwestern Bell Telephone Company and Rockport Telephone Company to transfer South Hamburg exchange to Rockport.
- Case No. TM-98-384** Joint Application to transfer control of Network Long Distance, Inc. to IXC Long Distance, Inc.
- Case No. TM-98-65** Application of Group Long Distance, Inc. for authority to acquire control of Eastern Communications, Inc.
- Case No. TM-98-406** Application of Qwest Communications International, Inc., LCI International, Inc., LCI International Telecom Corporation and USLD Communications, Inc. for approval of transfer and related transactions.
- Case No. TM-98-479** Joint Application of Intratel Group, Ltd. And North American Telephone Network, L.L.C. for approval of merger.
- Case No. TM-98-221** Joint Application of ACC Corporation and US Wats, Inc. for approval of plan of merger.

1998-09

NATIONAL ASSOCIATION OF STATE UTILITY CONSUMER ADVOCATES**RESOLUTION**

Urging the Appropriate State Regulatory Agencies, the U.S. Department of Justice and the Federal Communications Commission to Give Proposed Mergers in the Telecommunications Industry Close Scrutiny to Assure that Mergers Are Only Permitted if They Provide Positive Benefits Directly to Consumers and that Mergers Do Not Inhibit Full and Effective Competition and in the Event They Are Approved, Associated Benefits Are Flowed Through to Ratepayers

WHEREAS,

the primary purpose of the Telecommunications Act of 1996 (Act) was to open all telecommunications markets to effective competition;

WHEREAS,

the Act also relaxed some regulatory restrictions, including aspects of media and telecommunications ownership;

WHEREAS,

the mergers taking place in the telecommunications industries, especially mergers of some of the Regional Bell Operating Companies (RBOCs), at this critical stage of commencing the opening of the local telephone market threatens to upset the delicate balance in the Act for deregulation and competition;

WHEREAS,

since the effective date of the Act, two RBOCs have been absorbed by other RBOCs through mergers;

WHEREAS,

the industry has also seen a number of other mergers including the proposed merger of WorldCom and MCI, SBC Corporation and SNET, and the AT&T acquisition of TCG;

WHEREAS,

on the heels of the Bell Atlantic/NYNEX and SBC/Pacific Telesis mergers, SBC Communications, Inc announced plans to merge with Ameritech Corporation to create the largest American telephone company in the nation's largest telecommunications merger;

WHEREAS,

this trend of mergers may lead to the curtailment of competition by the removal of competing firms with the size, expertise and revenue streams to provide effective competition;

WHEREAS,

mergers and acquisitions in the telecommunications sector should be

approved only if measurable cost efficiencies, guaranteed by the applicant firms through rate reductions to the customers will be realized and any inhibition or reduction in competition is minimal;

WHEREAS,

claims of cost efficiencies and job creation resulting from the mergers should be closely scrutinized to determine whether these claims are realistic and supported by the history of such mergers;

WHEREAS,

state regulators, the U.S. Department of Justice and the Federal Communications Commission must assure consumers that the mergers will not unduly consolidate market and economic power to forestall, thwart or discourage competition and will not pose major regulatory difficulties for the states by the sheer size of the firms; and

WHEREAS,

when regulators approve mergers, they should attach conditions to the mergers to adequately safeguard consumers and ensure that ratepayers share equitably in merger savings.

THEREFORE,

BE IT RESOLVED that the National Association of State Utility Consumer Advocates (NASUCA) urges state regulatory agencies and the Federal Communications Commission to review mergers in the telecommunications industry based on the highest standard of the promotion of the public interest and on the enhancement of effective competition in telecommunications markets so that consumers can reap the promises of the Act with better quality service, lower prices and more choices in service and providers and in the event they are approved, associated benefits flow through to ratepayers;

BE IT FURTHER

RESOLVED that NASUCA urges the U.S. Department of Justice to review proposed mergers with a critical eye toward carrying out the competitive purposes and goals of the Act; and

BE IT FURTHER

RESOLVED, that NASUCA authorizes its Executive Committee to develop specific positions and to take appropriate actions consistent with the terms of this resolution. The Executive Committee shall advise the membership of any proposed action prior to taking action if possible. In any event the Executive Committee shall notify the membership of any action pursuant to this resolution.

Approved by

NASUCA:

Submitted by:

Seattle, WA

NASUCA Telecommunications Committee

June 10, 1998

Martha Hogerty (MO), Chair

Charlie Beck (FL)
Regina Costa (CA)
Theresa Czarski (MD)
Elliot Elam (SC)
Douglas Elfner (NY)
Simon Fitch (WA)
Karen Hardie (OH)
Alice Hyde (IA)
Wayne Jortner (ME)
Heikki Leesment (NJ)
Karen Long (NC)
Thomas Lyle (NH)
Robert Manifold (WA)
Philip McClelland (PA)
Michael McNamara (CA)
Garth Morrisette (MN)
Thorvald Nelson (CO)
Laurie Pappas (TX)
B. Robert Piller (NY)
Julie Rones (DC)
Amy Schwab (VA)
Timothy Seat (IN)
Michael Travieso (MD)
Charles Van Dyke (NV)
Richard Wiener (NM)