

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Southwestern Bell)	
Telephone Company's Tariff Filing to)	Case No. TT-2003-0093
Initiate Residential Customer Promotion.)	Tariff File No. 200300117

SOUTHWESTERN BELL TELEPHONE, L.P.
D/B/A SOUTHWESTERN BELL TELEPHONE COMPANY'S
REPLY TO STAFF'S RESPONSE TO SWBT'S RESPONSE TO STAFF'S
MOTION AND RESPONSE TO ORDER DIRECTING FILING

Comes now Southwestern Bell Telephone L.P., d/b/a Southwestern Bell Telephone Company ("SWBT") and, for its Reply to Staff's Response to SWBT's Response to Staff's Motion and Response to Order Directing Filing, states as follows:

1. On August 16, 2002, SWBT submitted a proposed 11th Revised Sheet 1 to its Local Exchange Tariff Appendix P.S.C. Mo. No. 24. Under this promotion, for the period from September 16, 2002, to September 15, 2003, SWBT proposes to offer a discounted monthly price of \$30.00 to new residence customers who subscribe to a flat rate access line or additional line, Caller ID Name and Number, Speed Call 8, and MCA 3, 4, or 5 service. New residential customers would receive this promotional price for 12 consecutive months starting from the date of installation so long as the customer continues to subscribe to all services listed above. If the customer discontinues any of the services listed above or if the services are disconnected for non-payment, the services would revert back to normal tariff prices. Standard installation charges are applicable.

2. On September 6, 2002, the Staff of the Missouri Public Service Commission ("Staff") filed its Motion to Suspend and Reject Tariff Filing ("Motion"). In its Motion, Staff recommends suspension of SWBT's proposed tariff on the basis that:

(1) the proposed promotion "could be viewed as essentially a winback-type of

promotion”¹ that SWBT could offer only to customers currently receiving service from a CLEC; and (2) this promotion concerns the pricing of the MCA plan, which is currently under dispute in Case No. TT-2002-447, In the Matter of the Tariff Filing of Sprint, Missouri, Inc., d/b/a Sprint to Increase the Residential and Business Monthly Rate for the Metropolitan Calling Area (MCA) Plan.²

3. On September 9, 2002, SWBT filed its Response to Motion to Suspend and Reject Tariff Filing, therein explaining why Staff's Motion was not well-taken.

4. On September 10, 2002, the Missouri Public Service Commission ("Commission") issued its Order Suspending Tariff, suspending the tariff for a period of 30 days (until October 16, 2002). The Commission stated: "[t]he initial suspension will provide any interested party an opportunity to respond to Staff's motion to suspend or Southwestern Bell's response."³ The Commission directed any interested party wishing to respond to Staff's Motion to Suspend and Reject Tariff Filing or SWBT's response to do so no later than September 17, 2002.⁴

5. On September 17, 2002, Staff filed its Response to SWBT's Response to Staff's Motion ("Response"). In that Response, Staff states that it

considers the instant tariff filing a winback offering. Customers eligible for the promotion are those currently serviced by competitive local exchange carriers (CLECs) and customers who are initiating basic local phone service with SWBT. Further, the proposed promotion will not be available to existing SWBT customers, only new customers. Staff believes the incentives for SWBT and the structure of this promotion co-exist such that customers currently served by CLECs will be the only customers informed about the promotion. Essentially, customers currently

¹ See Motion, paragraph 3.

² Id.

³ See Order Suspending Tariff, page 2.

⁴ Id. at page 3.

served by other CLECs will be the only customers informed about the promotion.⁵ (Emphasis added).

Staff further argues:

SWBT officials acknowledge they will inform customers of this promotion using a needs-based marketing approach. Needs-based marketing, as described to Staff by SWBT, involves the customer service representative (CSR) asking a potential customer a series of questions in order to find a package that best meets his needs. Staff reasons that this is a winback offering because of SWBT's intended method of promotion. Staff expects current CLEC customers will be informed about this promotion while customers new to the area and initiating service with SWBT will not be informed.⁶ (Emphasis added).

Finally, Staff argues:

Under this promotion, a customer must subscribe to a special package of services in order to qualify for the discounted rate. One of the features that the customer must order is Speed Call 8, a relatively obscure service, though one currently available to Missouri residents. Speed Call 8 service enables customers to dial up to 8 pre-programmed numbers by pressing a number between 2 and 9 and then the # key.⁷ (Emphasis added).

6. On September 17, 2002, MCI WorldCom Communications, Inc., Brooks Fiber Communications of Missouri, Inc. and MCImetro Access Transmission Services, L.L.C. (collectively referred to as "WCOM") filed a Concurrence of WorldCom with Staff's Motion to Suspend and/or Reject SWBT's Tariff.

7. On September 24, 2002, the Commission entered its Order Directing Filing. In its Order, the Commission directed Staff to more fully explain how Case No. TT-2002-447 may affect this case. The Commission also directed SWBT to more fully develop its argument regarding the pricing of MCA service as it pertains to this case.

⁵ See Response, paragraph 2.

⁶ Id. at paragraph 3.

⁷ Id. at paragraph 4.

8. For the reasons stated below, the Commission should reject Staff's Motion to Suspend and Reject Tariff Filing, thereby allowing SWBT to offer the promotion set forth in P.S.C. Mo. No. 24, Local Exchange Tariff, 11th Revised Sheet 1, paragraph 4.

SWBT'S Promotion Is Available To All New Residential Customers

9. Despite claims to the contrary, by its express terms, it is clear that SWBT's promotion is available to "all new residential customers."⁸ Thus, as Staff admits⁹, this promotion is available to any customer who does not currently have service from SWBT and is not limited to customers seeking to return to SWBT after subscribing to service from a CLEC. Customers eligible for this promotion are those currently served by a CLEC and customers who are initiating basic local phone service with SWBT.¹⁰ In other words, this is a generally available tariff; it is not a winback tariff. Notwithstanding Staff's claims that "the incentives for SWBT and the structure of this promotion co-exist such that customers currently serviced by CLECs will be the only customers informed about the promotion"¹¹, this promotion is available to any new residential customer who orders the specified services.

10. Moreover, as Staff admits, SWBT has acknowledged that it will inform customers of this promotion using a needs-based marketing approach. Staff makes light of SWBT's commitment to needs-based marketing stating: "Staff expects current CLEC customers will be informed about this promotion while customers new to the area and initiating service with SWBT will not be informed."¹² Contrary to Staff's assertions,

⁸ See P.S.C. Mo. No. 24, Local Exchange Tariff, Appendix, 11th Revised Sheet 1, paragraph 4.

⁹ See Motion, paragraph 2.

¹⁰ See Response, paragraph 2.

¹¹ Id.

¹² Id. at paragraph 3.

customers new to the area and initiating service with SWBT will be informed about this promotion when SWBT's needs-based analysis reflects that this promotion is consistent with the customer's needs. SWBT has not adopted a needs-based analysis only for this promotion, but does so for all of its customers and services. Such an approach is required in an environment in which SWBT offers literally hundreds of products and services as SWBT's customers do not have the desire or time to discuss each of the hundreds of products and services that SWBT offers. SWBT's promotion is available to all new residential customers, and the Commission should approve it.

The Commission Has Routinely Approved Such Promotions In The Past

11. SWBT previously noted that the Commission has routinely approved promotions in the past.¹³

- For example, see P.S.C. Mo. No. 24, Local Exchange Tariff; 20th Revised Sheet 1.01, P.S.C. Mo. 24 (SWBT offered reduced service and equipment charges to two-line business end user customers who subscribed to a primary line and an additional business line on a new service);
- Local Exchange Tariff, 14th Revised Sheet 1.01 (SWBT waived the service and equipment charges for the connection of additional lines to existing business customers that moved from one location to another);
- P.S.C. Mo. 24, Local Exchange Tariff, 8th Revised Sheet 1.01 (SWBT offered reduced service and equipment charges to two-line business customers, who subscribed to a primary line and an additional business line, on new service);

- P.S.C. Mo. 24, Local Exchange Tariff, 3rd Revised Sheet 1.01 (SWBT waived the non-recurring service and equipment charges for the connection of an additional line to single line business customers that had established new service);
- P.S.C. Mo. No. 35, General Exchange Tariff, Section 54, Original Sheet 6 (SWBT provided an additional 8% discount to new business customers who signed up for CompleteLinksm during the promotional period); and
- P.S.C. Mo. No. 35 provided General Exchange Tariff, Section 55, Original Sheet 5 (SWBT provided an 8% discount to new business customers who signed up for SimpleLinksm during the promotional period).

12. Nevertheless, Staff argues that "the promotions SWBT has provided are dissimilar to the one currently before the Commission and cannot be used to justify the appropriateness of the instant filing before the Commission."¹⁴ Specifically, Staff contends that four of the tariffs that SWBT cited provide a discount or a waiver of service and equipment charges, a nonrecurring charge, whereas the current promotion concerns recurring residential charges.¹⁵ Staff further argues that pursuant to two of SWBT's tariffs, a business customer selects from a list of available vertical services instead of having to guess a "password" to receive a discount.¹⁶

¹³ See SWBT's Response to Motion to Suspend and Reject Tariff Filing, pp. 2-3.

¹⁴ See Response, paragraph 8.

¹⁵ Id. at paragraph 9.

¹⁶ Id. at paragraph 10.

13. Staff's purported distinctions are unfounded in that the Commission has routinely approved tariffs that offer a discount or waiver of recurring charges to new customers.

- a. P.S.C. Mo. No. 35, General Exchange Tariff, Section 47, Appendix, 3rd Revised Sheet 4, paragraph 25, which is attached hereto as Exhibit A, provides that eligible residential customers who order Privacy Manager during the promotional period will receive Privacy manager free for two months, as well as a waiver of the non-recurring service and connection charges. This tariff specifies that customers who already subscribe to Privacy Manager are not eligible for this promotion.
- b. P.S.C. Mo. No. 35, General Exchange Tariff, Section 44, Appendix, 3rd Revised Sheet 4, paragraph 23, which is attached hereto as Exhibit B, provides that business customers who order Business Preferred during the promotional period will receive a coupon that can be redeemed for \$20.00. The tariff specifies that customers who currently subscribe to the Bizsaversm "E", WORKS®, Essential Office with The WORKS, Essential Office with Bizsaver "E" or Internet Caller ID packages are not eligible for this offer on the same line.
- c. P.S.C. Mo. No. 35, General Exchange Tariff, Section 47, Appendix, 4th Revised Sheet 4, paragraph 25, which is attached hereto as Exhibit C, provides that customers that subscribe to Calling Name Delivery and Calling Number Delivery will receive three months free, as well as free installation of Calling Name Delivery and Calling Number Delivery, when

purchased with Privacy Manager. The tariff specifies that current subscribers to Calling Name Delivery and Calling Number Delivery and Privacy Manager are not eligible for this offer.

- d. P.S.C. Mo. No. 35, General Exchange Tariff, Section 47, Appendix, Original Sheet 6, paragraph 27, attached hereto and marked Exhibit D, provides that SWBT will give a \$25 check to residential customers that subscribe to the SBC Advantage Plansm with Call Forward Busy Line Don't Answer. The tariff specifies that current subscribers to the SBC Advantage Plan and the WORKS are not eligible for this offer.

14. Staff also proposes the tariff be rejected because it includes Speed Call 8 as one of the services, based on Staff's view that customers are not interested in this service. Staff's position is unfounded in that the Commission has approved tariffs that, like SWBT's proposed tariff, include Speed Call 8 as one of the services offered. MCImetro Access Transmission Services, L.L.C.'s (WCOM's) Mo. P.S.C. Tariff No. 1, Local Exchange Tariff, Original Page No. 63.6, which is attached hereto as Exhibit E, commonly referred to as the "Neighborhood Plan", provides that customers will receive unlimited local usage as well as the following features where facilities are available: Call Waiting, Caller ID, 3-Way Calling, Speed Dial 8, and Anonymous Call Rejection. Thus, contrary to Staff's assertion, Speed Dial 8 is not a "relatively obscure service"¹⁷; rather it is a service offered not only by SWBT but by other carriers as well. SWBT notes that WCOM has trumpeted that it has achieved over 1 million subscribers to the Neighborhood Plan across the nation in less than six months, demonstrating that customers are interested in the bundle of services which includes Speed Call 8. Because

SWBT's proposed tariff is responsive to WCOM's Neighborhood Plan, as well as to other competitive offerings, the Commission should approve it.

15. Furthermore, rejection of SWBT's tariffs on the grounds that they "might" be used for winback purposes would effectively preclude SWBT from offering any new tariffed promotions or other tariff offerings because Staff or CLECs could argue that virtually all of SWBT's promotional offers "could" be used for winback purposes. Such an outcome is clearly unreasonable and would severely limit the benefits to consumers of a competitive marketplace.

**SWBT's Proposed Promotion Is Consistent With The Missouri Statutes
And The Decisions Of This Commission**

16. The pricing of optional MCA service is governed by Section 392.245(11), RSMo. 2000 which states:

The maximum allowable prices for nonbasic telecommunications services of a small, incumbent local exchange telecommunications company regulated under this section shall not be changed until twelve months after the date the company is subject to regulation under this section or, on an exchange-by-exchange basis, until an alternative local exchange telecommunications company is certified and providing basic local telecommunications service in such exchange, whichever is earlier. The maximum allowable prices for nonbasic telecommunications services of a large, incumbent local exchange telecommunications company regulated under this section shall not be changed until January 1, 1999, or on an exchange-by-exchange basis, until an alternative local exchange telecommunications company is certified and providing basic local telecommunications service in such exchange, whichever is earlier. Thereafter, the maximum prices for nonbasic telecommunications services of an incumbent local exchange telecommunications company may be annually increased by up to eight percent for each of the following twelve-month periods upon providing notice to the commission and filing tariffs establishing the rates for such services in such exchanges at such maximum allowable prices. This subsection shall not preclude an incumbent local exchange telecommunications company from proposing new telecommunications services and establishing prices for such new services. An incumbent local exchange telecommunications company

¹⁷ Id. at paragraph 4.

may change the rates for its services, consistent with the provisions of section 392.200, but not to exceed the maximum allowable prices, by filing tariffs which shall be approved by the commission within thirty days, provided that any such rate is not in excess of the maximum allowable price established for such service under this section. (Emphasis added).

Thus, under Section 392.245(11), an ILEC, like SWBT, can change the rate for a service so long as it does not exceed the maximum allowable price. Here, SWBT's proposed price clearly does not exceed the maximum allowable price for MCA service as it is designed to reduce the rate for MCA service. The statute is clear; SWBT may reduce the rate for MCA service and the Commission must, within thirty days, approve a tariff where the price is below the maximum allowable rate. SWBT urges the Commission to follow the legislative mandate and to approve the tariff immediately.

17. It is also clear that the Commission has approved such price reductions in the past. For example, in P.S.C. Mo. No. 24, SWBT's Local Exchange Tariff, Original Sheet 1.0301, paragraph 1.1.6, a copy of which is attached hereto as Exhibit F, SWBT offered a promotion whereby, during the promotional period, business network access line customers that subscribed to a 12 month term commitment for Optional MCA service(s) would receive a 20% discount on the monthly recurring charge for Optional MCA Service. Thus, the Commission has already approved a tariff wherein it allowed SWBT to reduce the price of MCA service.

18. Further, reduction of the price of MCA service is consistent with the Commission's Report and Order, in In the Matter of an Investigation for the Purpose of Clarifying and Determining Certain Aspects Surrounding Provisioning of Metropolitan Calling Area Service After the Passage and Implementation of the Telecommunications Act of 1996, Case No. TO-99-483, September 7, 2000. In that Order, the Commission

determined that "[c]onsumer benefits would diminish if companies were forced to provide the MCA service at the exact price of its competitors."¹⁸ The Commission explicitly found that all companies must be allowed pricing flexibility. Specifically, the Commission stated:

Restricting CLECs from pricing MCA service downward would contradict the purposes of opening local markets to competitive entry and be contrary to the public interest. There is also no reason to require CLECs which are charging lower rates for MCA service to increase those rates. Because MCA service comprises the vast majority of local traffic in the metropolitan areas, without competitive pricing and competitive outbound calling scopes, consumers would receive no benefits from local competition. Also, with mandatory zones where MCA is basic local service, without pricing flexibility, there would be no basic local price competition. Furthermore, any pricing flexibility permitted under MCA service must apply equally to all participating companies to ensure competitive neutrality. (Emphasis added).¹⁹

The Commission further explained that it is in the public interest to allow ILECs, like SWBT, to exercise pricing flexibility granted by the legislature:

The Commission also finds that it is in the public interest to allow ILECs to exercise the full pricing flexibility that they are statutorily entitled to have. The Commission determines that ILECs are allowed to change their MCA service charges in response to competition brought on by flexible pricing of MCA service by CLECs, subject to statutes and other safeguards against predatory pricing. For price cap companies, that means that pricing flexibility subject to maximum allowable prices under Section 392.245, RSMo. For rate-of-return companies, that means pricing flexibility subject to total earning limitations under section 392.220-240, RSMo.²⁰

Thus, not only has the Commission allowed SWBT to offer a promotion which reduces the price of MCA service, the Commission has expressly stated that all companies,

¹⁸ See Report and Order, in In the Matter of an Investigation for the Purpose of Clarifying and Determining Certain Aspects Surrounding Provisioning of Metropolitan Calling Area Service After the Passage and Implementation of the Telecommunications Act of 1996, Case No. TO-99-483, September 7, 2000, page 23.

¹⁹ Id.

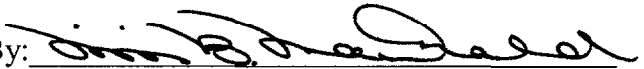
²⁰ Id. at pages 23-24.

including SWBT, must be allowed downward pricing flexibility regarding MCA service, which is what SWBT's current promotion attempts to implement.

19. For all of these reasons, the Commission should reject Staff's Motion to Suspend and Reject Tariff Filing, thereby allowing SWBT to offer the promotion set forth in P.S.C. Mo. No. 24, Local Exchange Tariff, 11th Revised Sheet 1, paragraph 4. Pursuant to Section 392.245.11, the Commission is to approve tariffs that do not exceed the maximum allowable price within thirty days, and SWBT respectfully requests the Commission to act in an expeditious manner.

Wherefore, SWBT prays the Commission reject Staff's Motion to Suspend and Reject Tariff Filing, together with any additional and further relief the Commission deems just and proper.

Respectfully submitted,

By: 

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CERTIFICATE OF SERVICE

Copies of this document were served on the following parties by e-mail on October 4, 2002.

A handwritten signature in black ink, appearing to read 'Mimi B. MacDonald', is written over a horizontal line.

Mimi B. MacDonald

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No Supplement to this
tariff will be issued
except for the purpose
of canceling this tariff.

General Exchange Tariff

Section 47

APPENDIX

3rd Revised Sheet 4

Replacing 2nd Revised Sheet 4

EASYOPTIONS® SERVICES

20. Residential customers who order Call Waiting ID with or without Call Waiting ID Options between April 2, 2001, and June 30, 2001, will receive a credit to the first month's billing of the recurring rate. In addition, they will receive a waiver of the Service and Equipment charge. Customers already subscribing to these services are not eligible for this promotion.
21. Residential customers who order Anonymous Call Rejection between April 2, 2001, and June 30, 2001, will receive a credit equal to the first month's billing of the recurring rate. In addition, they will also receive a waiver of the Service and Equipment Charge. Customers already subscribing to this service are not eligible for the promotion.
22. Residential customers who order Privacy Manager during the promotional period will receive Privacy Manager free for one month and a waiver of the non-recurring service and equipment charges. Customers who already subscribe to Privacy Manager are not eligible for this promotion. There are no retention requirements associated with this offer. This promotion is available from April 2, 2001 through June 30, 2001.
23. This promotion offers business customers an incentive to continue their Caller ID Name and Number subscription by providing them with a one-time Caller ID credit of \$10.00 when they agree to retain their Caller ID Name and Number services for an additional three months. Only current Caller ID Name and Number subscribers calling in to disconnect their service will be eligible for this promotion. If the customer accepts the promotion, the customer must retain the services for three months before the credit will apply. This promotional offer is available from June 15, 2001 to December 31, 2001. The credit will apply to the customer's bill three months after they accept this offer.
24. Residential customers who order both Calling Name Delivery and Calling Number Delivery between August 1, 2001 and September 30, 2001, will receive a coupon redeemable for \$18.00. Customers already subscribing to Calling Name, Calling Number or Calling Name and Number Delivery are not eligible for this promotion. The WORKS promotion that will be available to customers during the same time period supercedes the Caller ID promotional offering. This offer is not available when Caller ID is purchased in The WORKS package.
- (AT) 25. Eligible residential customers who order Privacy Manager during the promotional period will receive Privacy manager free for two months and a waiver of the non-recurring service and equipment charges. Customers who already subscribe to Privacy Manager are not eligible for this promotion. This offer applies to all order types except when Privacy Manager is purchased as part of the SBC Advantage Plan. Eligible customers are those in the Harvester, and St. Charles exchange areas where Privacy Manager is technologically available. This promotion is available from June 3, 2002 through June 30, 2002.
(AT)

Issued: April 19, 2002

Effective: June 3, 2002

By JAN NEWTON, President-Missouri
Southwestern Bell Telephone, L.P., d/b/a Southwestern Bell Telephone Company
St. Louis, Missouri

No Supplement to this
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of canceling this tariff

General Exchange Tariff
Section 44
APPENDIX
3rd Revised Sheet 4
Replacing 2nd Revised Sheet 4

EASYOPTIONS® PACKAGES

PROMOTIONS (cont'd)

18. Business customers ordering The WORKS® with Caller ID package between October 1, 2001 and November 30, 2001, will receive a coupon redeemable for \$20.00. Customers already subscribing to this package are not eligible for this promotion. Customers who are downgrading their services will not be eligible for this promotion.
19. Business customers ordering The BasicsSM package between October 1, 2001 and November 30, 2001, will receive a coupon redeemable for \$20.00. Customers already subscribing to this package are not eligible for this promotion. Customers who are downgrading their services will not be eligible for this promotion.
20. Business customers ordering the BizSaver B or E package between October 1, 2001 and November 30, 2001, will receive a coupon redeemable for \$15.00. Customers already subscribing to a BizSaver B or E package are not eligible for this promotion. Customers who are downgrading their services will not be eligible for this promotion.
21. Residential customers ordering The WORKS package between February 14, 2002 and March 30, 2002 will receive a credit equal to the first month's billing of the recurring rate. Customers already subscribing to The WORKS are not eligible for this promotion.
22. A retail promotional period shall be extended from March 31, 2002 through April 15, 2002. During this promotional period residential customers ordering The WORKS package will receive a credit equal to the first month's billing of the recurring rate. Customers already subscribing to The WORKS are not eligible for this promotion.
- (AT) 23. Business customers who meet the terms and conditions of this offer, and who order Business Preferred between August 5, 2002 and October 31, 2002 will receive a coupon that can be redeemed for \$20.00. Customers who currently subscribe to the Bizsaver E, WORKS, Essential Office with The WORKS, Essential Office with Bizsaver E or Internet Caller ID package are not eligible for this offer on the same line. Customers who move their Business Preferred service from one location to another during the promotional period are also not eligible. One coupon per account may be redeemed during the promotional period, and the coupon must be returned by December 9, 2002.
(AT)

® Registered Trademark of Southwestern Bell Telephone Company
SM Service Mark of Southwestern Bell Telephone Company

Issued: July 26, 2002

Effective: August 5, 2002

By CINDY BRINKLEY, President-Missouri
Southwestern Bell Telephone, L.P., d/b/a Southwestern Bell Telephone Company
St. Louis, Missouri

No Supplement to this
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of canceling this tariff

General Exchange Tariff
Section 47
APPENDIX
4th Revised Sheet 4
Replacing 3rd Revised Sheet 4

EASYOPTIONS® SERVICES

PROMOTIONS (cont'd)

20. Residential customers who order Call Waiting ID with or without Call Waiting ID Options between April 2, 2001, and June 30, 2001, will receive a credit to the first month's billing of the recurring rate. In addition, they will receive a waiver of the Service and Equipment charge. Customers already subscribing to these services are not eligible for this promotion.
21. Residential customers who order Anonymous Call Rejection between April 2, 2001, and June 30, 2001, will receive a credit equal to the first month's billing of the recurring rate. In addition, they will also receive a waiver of the Service and Equipment Charge. Customers already subscribing to this service are not eligible for the promotion.
22. Residential customers who order Privacy Manager during the promotional period will receive Privacy Manager free for one month and a waiver of the non-recurring service and equipment charges. Customers who already subscribe to Privacy Manager are not eligible for this promotion. There are no retention requirements associated with this offer. This promotion is available from April 2, 2001 through June 30, 2001.
23. This promotion offers business customers an incentive to continue their Caller ID Name and Number subscription by providing them with a one-time Caller ID credit of \$10.00 when they agree to retain their Caller ID Name and Number services for an additional three months. Only current Caller ID Name and Number subscribers calling in to disconnect their service will be eligible for this promotion. If the customer accepts the promotion, the customer must retain the services for three months before the credit will apply. This promotional offer is available from June 15, 2001 to December 31, 2001. The credit will apply to the customer's bill three months after they accept this offer.
24. Residential customers who order both Calling Name Delivery and Calling Number Delivery between August 1, 2001 and September 30, 2001, will receive a coupon redeemable for \$18.00. Customers already subscribing to Calling Name, Calling Number or Calling Name and Number Delivery are not eligible for this promotion. The WORKS promotion that will be available to customers during the same time period supercedes the Caller ID promotional offering. This offer is not available when Caller ID is purchased in The WORKS package.
- (AT) 25. This promotion offers existing residential customers, that subscribe to Calling Name Delivery, and Calling Number Delivery, 3 months free and free installation on Calling Name Delivery and Calling Number Delivery when purchased with Privacy Manager. They must be purchased together with Privacy Manager, on an existing account, at the current location, where central office facilities allow. This offer is only available when Calling Name Delivery, Calling Number Delivery, and Privacy Manager are purchased a la carte, independent of any other package or promotion. Current subscribers to the Calling Name Delivery and Calling Number Delivery and Privacy Manager are not eligible for this offer. This promotional offer is available from July 22, 2002 through October 26, 2002.

Issued: June 21, 2002

Effective: July 22, 2002

By JAN NEWTON, President-Missouri
Southwestern Bell Telephone, L.P., d/b/a Southwestern Bell Telephone Company

No Supplement to this
tariff will be issued
except for the purpose
of canceling this tariff.

General Exchange Tariff
Section 47
APPENDIX
Original Sheet 6

EASYOPTIONS® SERVICES

27. This promotion offers a \$25 Check to residential customers that subscribe to the SBC Advantage Plan with Call Forward Busy Line Don't Answer, where central office facilities allow. Residential customers who agree to purchase the SBC Advantage Plan with Call Forward Busy Line Don't Answer will be eligible to receive a coupon redeemable for the \$25 check. Current subscribers to the SBC Advantage Plan and The WORKS are not eligible for this offer. This promotional offer is available from August 1, 2002 through October 31, 2002.

Issued: July 2, 2002

Effective: August 1, 2002

By CINDY BRINKLEY, President-Missouri
Southwestern Bell Telephone, L.P., d/b/a Southwestern Bell Telephone Company
St. Louis, Missouri

P.S.C. Mo.- No. 24

No Supplement to this
tariff will be issued
except for the purpose
of canceling this tariff.

Local Exchange Tariff
1st Revised Sheet 1.0301
Replacing Original Sheet 1.0301

LOCAL EXCHANGE

1.1 General - (Continued)

1.1.6 Promotions

The Telephone Company will offer a promotion for the period beginning April 3, 2002 through September 30, 2002. With this promotion, business network access line customers that subscribe to a 12 month term commitment for Optional MCA service(s) can receive a 20% discount on the monthly recurring charge for Optional MCA service. To be eligible business customers must not have: 1) had service disconnected for nonpayment, or 2) any past due bills for regulated service owed to the Company.

A termination charge will apply if the business customer disconnects any portion of their contracted service prior to the expiration of their term commitment. This charge will consist of 50% of the monthly rate for service disconnected times the number of months remaining on the contract.

(AT)

The Telephone Company will offer a promotion for the period June 5, 2002 through June 4, 2003. With this promotion, business customers who establish business network access service and who agree to a 12-month term commitment for flat rate 1-party service, multi-line access service or basic exchange access trunks will receive a waiver of the applicable non-recurring Service and Equipment charges. Eligible business customers must not have: 1) service disconnected for non-payment, or 2) any past due bills for regulated service owed to the Company.

(AT)

Issued: May 6, 2002

Effective: June 5, 2002

By JAN NEWTON, President-Missouri
Southwestern Bell Telephone, L.P., d/b/a Southwestern Bell Telephone Company
St. Louis, Missouri

Local Exchange Service

3. Service Descriptions Cont'd)3.9 Residential Service Cont'd)3.9.1 Service Offerings (Cont'd)3.9.1.3 Residential RZB Service

Customers who subscribe to this voice service must 1) select and designate MCImetro as its Local Exchange Carrier (LEC) and MCI WorldCom Communications as both its Interexchange Carrier (IXC) for interstate and intrastate calling and as its intraLATA toll provider for intraLATA toll calling and 2) concurrent with enrollment in this plan, customers must also enroll in the companion residential service offered in <http://www.mci.com/service> and must subscribe to this service as offered in MCI WorldCom Communications Tariff No. 1. Customers who subscribe to this service may not subscribe to Residential RZA service as described in this tariff on another line on their account.

A monthly recurring charge will apply to this service. This charge is identical to and shall not be in addition to any monthly recurring charge applicable to companion Federal Service or to companion State Service.

Touch tone is included in the monthly fee. The following are not included in the monthly recurring charge: non-recurring charges, operator assistance, directory assistance, directory listing options, interstate line charge, data usage charge, blocking options, taxes, surcharges, per use charges and custom calling features not included in the list below. MCI WorldCom Communications customers will be charged the intraLATA and long distance rates as specified in the companion residential long distance service as set forth in <http://www.mci.com/service> and MCI WorldCom Communications Tariff No. 1.

Customer will receive unlimited local usage. Customer will receive the following features, where facilities are available: Call Waiting, Caller ID, 3-Way Calling, Speed Dial 8, Anonymous Call Rejection.

The Company reserves the right to discontinue offering the service and grandfather existing customers on one day's notice to the Commission, in the event that 1) facilities are not available to the Company to adequately provide the service, and 2) such lack of facilities is the result of the failure of any carrier (from whom the Company is securing facilities to provide the service) to provide adequate service to the Company.

ALL MATERIAL ON THIS PAGE IS NEW.