

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

In the Matter of the Application of Southwestern	)	
Bell Telephone Co. d/b/a SBC Missouri Filing	)	
Tariff Revisions to Suspend Billing and Collection	)	<u>Case No. TT-2004-0120</u>
Services for a Customer if the Customer is in	)	
Breach of Any Other Agreement Between the	)	
Parties	)	

**SBC MISSOURI'S RESPONSE TO  
MOTIONS TO REJECT OR SUSPEND**

SBC Missouri,<sup>1</sup> pursuant to the Missouri Public Service Commission's ("Commission's") September 19, 2003 Second Order Granting Extension of Time, respectfully submits this Response to the Motions to Reject or Suspend filed by AT&T Communications of the Southwest, Inc. ("AT&T"), Sprint Communications Company L.P. ("Sprint"), and MCI WorldCom Communications, Inc. ("MCI"). SBC Missouri and the parties opposing its tariff have, over the past several weeks, been in discussions in an attempt to resolve their differences concerning the proposed tariff revisions. These efforts, while continuing, have to date been unsuccessful and SBC Missouri now submit its Response:

1. On August 13, 2003, SBC Missouri proposed revised language for its billing and collection services portion of its Intrastate Access Services Tariff, P.S.C. Mo.-No. 36, that would allow it to suspend billing and collection services if the carrier for whom these services are being performed breaches any other agreements between the parties. The proposed language would also allow SBC Missouri to net against the purchase of accounts receivable other amounts owed by the carrier to SBC Missouri. In addition, SBC Missouri proposed language to clarify the

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<sup>1</sup> Southwestern Bell Telephone, L.P., d/b/a SBC Missouri, will be referred to in this pleading as "SBC Missouri."

superior position of the claim it would have arising from funds advanced by SBC Missouri to that carrier but not yet recouped from billings to that carrier's customers.<sup>2</sup>

2. On September 4, 2003, AT&T filed objections to the tariff. Sprint filed similar objections on September 5, 2003 and MCI filed objections on September 11, 2003.

3. SBC Missouri proposed the new language for its billing and collection services tariff in response to the significant problem it is encountering in collecting monies owed it from other carriers with whom it does business. As the Commission is aware from its proceeding in which it is investigating the effect of the bankruptcy of telecommunications carriers that operate in Missouri,<sup>3</sup> numerous telecommunications carriers in the State have either declared bankruptcy or have ceased paying their bills. As a wholesale provider of access, local and other services, SBC Missouri generally is an unsecured creditor of these companies. To date, SBC Missouri has provided millions of dollars worth of services to carriers for which it most likely will never be paid.

4. SBC Missouri proposed the tariff revisions for its billing and collection services that are at issue here in a limited attempt to help contain and mitigate some of the potential financial harm to which it is exposed. The tariff revisions it has proposed are reasonable and appropriate measures given the real losses SBC Missouri has incurred and the continuing risks it faces in providing services to other telecommunications companies.

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<sup>2</sup> See, SBC Missouri's August 13, 2003 Proposed Tariff Filing to revise P.S.C. Mo.-No. 36.

<sup>3</sup> See, In the Matter of An Investigation Into Effects of the Bankruptcy of Telecommunications Carrier in the State of Missouri, Case No. TW-2003-0063.

WHEREFORE, SBC Missouri respectfully requests the Commission to deny the Motions to Reject and/or Suspend filed by AT&T, Sprint and MCI and to approve SBC Missouri's proposed tariff as filed.

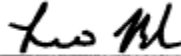
Respectfully submitted,

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**CERTIFICATE OF SERVICE**

Copies of this document were served on the following parties by e-mail or first class, postage prepaid, U.S. Mail on September 29, 2003.



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