

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held at its office
in Jefferson City on the 3rd
day of June, 1992.

In the matter of an incentive plan for Southwestern)
Bell Telephone Company.) Case No. TO-90-1
)

ORDER GRANTING VARIANCE

On May 15, 1992, Southwestern Bell Telephone Company (SWB) filed a motion requesting the Commission grant a variance from the implementation schedule for N-carrier facilities as approved in the Revised Incentive Regulation Experiment. SWB states that the N-carrier facilities are scheduled to be eliminated in the Smithton, Otterville, Sweet Springs and Houstonia exchanges of United Telephone Company (United) during 1992. SWB states further that United has informed SWB that it cannot upgrade its portion of the toll route, and that its long term plans are to rehome these exchanges to its own toll center. SWB contends that these conditions make replacement of these facilities impractical. In addition, SWB indicates that Public Counsel and Staff have been informed of this request for waiver and neither has objected.

The Commission has considered SWB's request and will grant the waiver. No party has objected to the proposed waiver and based upon SWB's statements, elimination of the N-carrier facilities for these exchanges would result in stranded investment if United rehomes the exchanges as planned. The waiver will prevent uneconomical expenditures for SWB.

IT IS THEREFORE ORDERED:

1. That Southwestern Bell Telephone Company be hereby authorized to cancel the replacement of N-carrier facilities for the Smithton, Otterville, Sweet Springs and Houstonia exchanges.

2. That this order shall become effective on the date hereof.

BY THE COMMISSION

Brent Stewart

Brent Stewart
Executive Secretary

(S E A L)

McClure, Chm., Mueller, Rauch,
Perkins and Kincheloe, CC., concur.