

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office
in Jefferson City on the 7th
day of April, 1995.

In the matter of Southwestern Bell Telephone)	
Company's tariff sheets to implement its service)	<u>Case No. TT-95-299</u>
guarantee for residential and business customers.)	
)	

ORDER APPROVING TARIFFS

On March 10, 1995, Southwestern Bell Telephone Company (SWB) submitted revised tariff sheets designed to implement SWB's service guarantee for residential and business customers. SWB proposes to establish a twenty-five dollar credit on customer bills if the installation or repair is not performed in conformance with SWB's commitment to its customer.

On April 4, 1995, the Office of Public Counsel (OPC) filed a motion concerning the proposed service guarantee. In its motion OPC contends that the rebates for missed orders and appointments should be treated below the line for ratemaking purposes. OPC also indicates that proper tracking of the costs should be required. This docket was established to consider OPC's motion.

On April 5, 1995, SWB filed a response to OPC's motion. Basically, SWB argues that the decision to take an expense below the line is a rate case issue and should be dealt with at the time a general rate case is being considered. SWB indicates it has put procedures in place to track and segregate costs. This, SWB contends, should be sufficient for parties to address ratemaking treatment in the proper proceeding.

The Commission has reviewed this matter and finds that the tariff sheets should be approved. The Commission finds, further, that the issue of

below-the-line treatment is an issue which should be resolved in a general rate case proceeding. The tracking and segregation of costs associated with the guarantee should enable parties to fully develop the issue during a future general rate case proceeding. Even though the Commission has found that this issue should be considered in a general rate case proceeding, the Commission finds, based upon the pleadings, that the costs associated with the guarantee are the types of costs which would normally be taken below the line. OPC's motion will be denied.

IT IS THEREFORE ORDERED:

1. That Office of Public Counsel's motion to place conditions on the approval of Southwestern Bell Telephone Company's service guarantee tariffs is hereby denied.

2. That Southwestern Bell Telephone Company's revised tariff sheets designed to implement a service guarantee are hereby approved for service on and after April 10, 1995. The tariff sheets approved are:

P.S.C. Mo.-No. 35, General Exchange Tariff, Section 17

1st Revised Sheet 20, Replacing Original Sheet 20

Original Sheet 21.01

Original Sheet 21.02

P.S.C. Mo.-No. 38, Digital Link Services Tariff, Section 3

2nd Revised Sheet 1, Replacing 1st Revised Sheet 1

P.S.C. Mo.-No. 29, Private Line Service Tariff, Section 1

2nd Revised Sheet 2, Replacing 1st Revised Sheet 2

P.S.C. Mo.-No. 27, Wide Area Telecommunications Service Tariff

5th Revised Sheet 3, Replacing 4th Revised Sheet 3

P.S.C. Mo.-No. 26, Long Distance Message Telecommunications Service Tariff

5th Revised Sheet 3, Replacing 4th Revised Sheet 3

P.S.C. Mo.-No. 37, Customer Specific Plan Tariff, Section 1

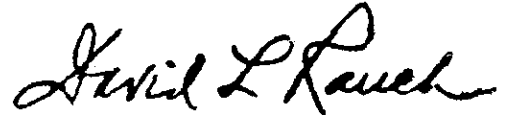
1st Revised Sheet 2, Replacing Original Sheet 2

3. That this order shall become effective on the 10th day of April, 1995.

(SEAL)

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

BY THE COMMISSION



David L. Rauch
Executive Secretary