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September 20, 2001

FILED<sup>2</sup>

SEP 20 2001

Missouri Public  
Service Commission

The Honorable Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
200 Madison St., Suite 100  
Jefferson City, Missouri 65101

Re: Case No. <sup>0</sup>~~TX~~-2001-467

Dear Judge Roberts:

Enclosed for filing with the Missouri Public Service Commission in the above-referenced case are an original and eight copies of Southwestern Bell Telephone Company's Motion to Substitute Corrected Pages of Surrebuttal Testimony.

Thank you for bringing this matter to the attention of the Commission.

Very truly yours,

  
Anthony K. Conroy

Enclosure

cc: Attorneys of Record

FILED

SEP 20 2001

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

Missouri Public  
Service Commission

In the Matter of the Investigation of the )  
State of Competition in the Exchanges of ) Case No. TO-2001-467  
Southwestern Bell Telephone Company. )

**MOTION TO SUBSTITUTE CORRECTED PAGES OF SURREBUTTAL TESTIMONY**

COMES NOW Southwestern Bell Telephone Company (SWBT) and for its Motion to Substitute Corrected Pages of Surrebuttal Testimony, states to the Missouri Public Service Commission (Commission) as follows:

1. SWBT filed Highly Confidential (HC) and Non-Proprietary (NP) versions of the surrebuttal testimony of Sandy M. Moore on September 17, 2001. Subsequent to filing this testimony, SWBT has discovered that the HC version of Ms. Moore's surrebuttal testimony contained erroneous information. The erroneous information was located on page 6, line 14, and in Schedule 1 HC, page 2, of Ms. Moore's HC surrebuttal testimony.


2. Attached hereto are corrected pages (including page 6 and Schedule 1 HC, page 2) of Ms. Moore's surrebuttal testimony. The NP version of Ms. Moore's surrebuttal testimony is not affected by these corrections.

WHEREFORE, SWBT respectfully requests that the Commission substitute the attached corrected pages of Ms. Moore's HC Surrebuttal Testimony for the same pages contained in Ms. Moore's HC Surrebuttal Testimony filed on September 17, 2001.

77

Respectfully submitted,

SOUTHWESTERN BELL TELEPHONE COMPANY

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1 According to the National Telecommunications and Information Administration  
2 (NTIA), the percentage of households with internet access has increased from 26.2%  
3 in December, 1998 to 41.5% in August, 2000.<sup>2</sup>

- 4 • Independent studies by Frost & Sullivan show that the use of internet directory  
5 assistance increased by 22.6% from 1999 – 2000. Internet directory assistance is  
6 expected to grow at a rate of 34% over the next 7 years. By 2007, it is expected that  
7 the internet will be used over 5 billion times for directory assistance information.<sup>3</sup>
- 8 • Cellular telephone usage continues to grow at a torrid pace. Nationwide, the number  
9 of cellular subscribers increased by 60% from June, 1998 to June, 2000.<sup>4</sup>

10  
11 **Q. Has the usage of SWBT Operator Service been impacted by competitive Operator**  
12 **Services?**

13 A. Yes. Clearly, as shown on my Highly Confidential Schedule 1HC, SWBT's Operator  
14 Service volumes have significantly declined since 1996. This **\*\*71%\*\*** decline in  
15 SWBT's operator service call volume can be directly attributed to competitive  
16 alternatives that exist in the marketplace.

17  

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1 *U.S. Directory Assistance Services Market*, Frost and Sullivan (1999).

2 *Falling Through the Net: Toward Digital Inclusion*, U.S. Department of Commerce,  
Economic and Statistical Information, National Telecommunications and Information  
Administration (October, 2000.)

3 *Invasion of Internet Directory Assistance Creates New Challenges for Telephone*  
*Directory Service Providers*, Frost and Sullivan (2000).

4 *Trends in Telephone Services*, Industry Analysis Division, Common Carrier Bureau  
(December, 2000.)

**SCHEDULE 1HC**  
**MISSOURI DIRECTORY AND OPERATOR SERVICES**

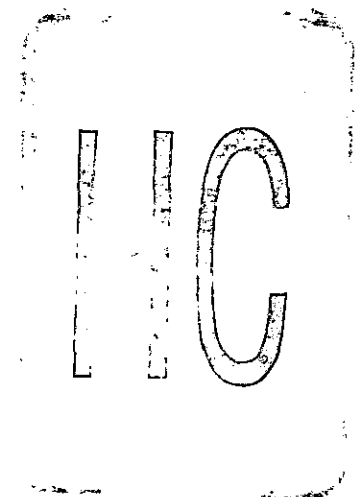
**CALL VOLUMES FOR 1996 THROUGH 2000**

<b>Operator Assistance (OA) Attempts</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
Total Operator Assistance Calls	18,265,661	14,977,156	11,504,997	8,036,619	5,363,799
Total Local Operator Services OA Calls	15,050,752	12,286,682	9,425,161	6,403,214	4,135,786
Credit Card	562,521	364,097	252,576	137,816	75,210
Collect	1,625,591	1,432,529	1,081,994	805,225	563,385
Bill to 3rd #	250,515	217,641	150,721	116,194	100,290
Person sent paid - non-automated	817	564	397	236	363
Verification Request	402,355	356,644	328,307	336,964	283,919
Busy Line Interrupt Request	373,110	318,999	265,841	236,970	204,846

Total Operator Assistance Calls	-18%	-23%	-32%	-35%
Credit Card	-35%	-31%	-45%	-45%
Collect	-12%	-24%	-26%	-30%
Bill to 3rd #	-13%	-31%	-23%	-14%
Person sent paid - non-automated	-31%	-30%	-41%	54%
Verification Request	-11%	-8%	3%	-16%
Busy Line Interrupt Request	-15%	-17%	-11%	-14%

**Percent Change 1996 to 2000: -71%**

Data Source: M500 reports for DA  
Volume Decline File NDA



Moore - Schedule 1HC

## CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been served on counsel of record for all parties to this case by overnight delivery this 20th day of September 2001.

  
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