

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

In the Matter of Tariff Filing of AT&T)
Missouri Introducing a New Fee for Business)
Customers)

Case No. TT-2008-0370
Tariff File No. JI-2008-0702

STAFF RECOMMENDATION AND RESPONSE TO PUBLIC COUNSEL'S MOTION

COMES NOW the Staff of the Missouri Public Service Commission and states:

1. On May 23, 2008, AT&T Missouri filed a revised tariff sheet to introduce a five dollar (\$5.00) Convenience Fee when a business customer in a competitively classified exchange requests a company representative's assistance in processing a payment. The tariff sheet has a proposed effective date of June 23, 2008.

2. On May 27, 2008, the Office of the Public Counsel filed a motion to reject the tariff filing, claiming the tariff filing did not comply with the requirement of Commission Rule 4 CSR 240-3.545(15) to include a copy of the customer notice of the rate increase.

3. Commission Rule 4 CSR 240-3.545(15) directs telecommunications companies to submit with the tariff filing, a copy of the notification of rate increase that will be sent to customers pursuant to 4 CSR 240.33.040(4) and a positive affirmation in writing that the notice was sent or will be sent at least ten (10) days in advance of the rate's effective date. Commission Rule 4 CSR 240-33.040(4), which is arguably inapplicable to business customers, provides that written notification is not required if the affected service with the proposed rate increase regularly announces the applicable rate prior to each time the customer uses the service.

4. In the attached Memorandum, the Staff recommends the Commission consider but take no action on Public Counsel's motion, and permit the tariff filing to take effect by operation of law. The Staff notes that pursuant to Section 392.245.6 RSMo, local exchange

carriers may adjust rates for competitive services upward or downward as it determines appropriate. Moreover, customers will be verbally notified in advance of the charge.

WHEREFORE, the Staff recommends the Commission consider but take no action on Public Counsel's motion, and permit the tariff to take effect by operation of law.

Respectfully submitted,

/s/ William K. Haas

William K. Haas
Deputy General Counsel
Missouri Bar No. 28701

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 2nd day of June, 2008.

/s/ William K. Haas

MEMORANDUM

To: Missouri Public Service Commission Official Case File
Case Number TT-2008-0370
AT&T Missouri

From: Sara Buyak

Through: William Voight

Subject: Staff Recommendation to Allow Tariff Filing to go into Effect by
Operation of Law on June 23, 2008

Date: May 30, 2008

On May 23, 2008 AT&T Missouri (AT&T) submitted Tariff File Number JI-2008-0702 in which the company proposes to institute a \$5.00 charge applicable to certain business customers “when the subscriber requests a company representative’s assistance in processing a payment.” AT&T’s filing contains the following terms and conditions:

- ✓ The charge is applicable only to business customers in exchange areas classified “competitive” pursuant to Subsection 392.245.5 RSMo; the charge is not applicable to business customers located in exchange areas not deemed “competitive.” (Currently, 109 of AT&T’s 165 exchange areas are deemed “competitive” for business services and will be so affected.)
- ✓ The charge will not apply to automated payments made via interactive voice response systems, payments made online, or payments made by mail.
- ✓ Customers will be verbally advised prior to incurring the charge.

AT&T instituted an identical charge for residential customers in Tariff File No. JI-2008-0323. AT&T’s residential filing was permitted to go into effect without objection, effective December 17, 2007.

On May 27, 2008 the Office of the Public Counsel (OPC) filed a Motion to Reject AT&T’s instant filing. OPC states that the proposed tariff language is vague, and that customers have not been given adequate written notice. OPC further contends that the [costs] for payment processes associated with the charge are all ready built into the cost of doing business, and AT&T should not be permitted to extract additional surcharges from the customer.

The Telecommunications Department Staff (Staff) recommends the Commission consider, but then take no action on OPC's Motion, and permit the tariff filing to take effect by operation of law on June 23rd.

Staff notes that pursuant to Subsection 392.245.5(6) RSMo, local exchange carriers may adjust rates for competitive telecommunications services "upward or downward as it determines appropriate." Moreover, the rate increase is for a non-recurring charge applicable only to those electing personal assistance in making bill payment. As previously stated, customers will be verbally notified in advance of the charge. In the Staff's view, written notice to all AT&T customers should not be necessary under this set of circumstances.

The specific tariff sheet recommended to be allowed to go into effect is:

Southwestern Bell Telephone Company d/b/a AT&T Missouri
Section 17; 7th Revised Sheet 13 Replacing 6th Revised Sheet 13

Other than the previously referenced Tariff File Number JI-2008-0323, the Staff is unaware of any other matter that affects, or that would be affected by, this matter.

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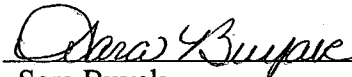
In the Matter of the Tariff filing of AT&T)
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business customers.)

Case No. TT-2008-0370

AFFIDAVIT OF Sara Buyak

STATE OF MISSOURI)
) ss:
COUNTY OF COLE)


Sara Buyak, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that she has participated in preparing the accompanying staff recommendation, and that the facts therein are true and correct to the best of her knowledge and belief.


Sara Buyak

Subscribed and affirmed before me this 2nd day of June 2008.



SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #06942086


NOTARY PUBLIC