BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of a Request for Expansion of the St. Louis Metropolitan Calling Area Plan to Include the Exchanges of Washington, Union, Wright City, St. Clair, Marthasville, Beaufort, Foley, and Warrenton.

Case No. TO-2005-0141

SOUTHWESTERN BELL TELEPHONE, L.P., D/B/A SBC MISSOURI'S RESPONSE TO THE MISSOURI PUBLIC SERVICE COMMISSION'S ORDER DIRECTING FILINGS DATED APRIL 21, 2005

Comes now Southwestern Bell Telephone, L.P., d/b/a SBC Missouri ("SBC Missouri") and, for its Response to the Missouri Public Service Commission's Order Directing Filings dated April 21, 2005, states as follows:

1. On April 21, 2005, the Missouri Public Service Commission ("Commission") entered its Order Directing Filings ("Order"), requiring any telecommunications carrier directly affected by the Office of Public Counsel's ("OPC") proposal to file illustrative tariff sheets, to show how the company would implement OPC's proposal, no later than July 28, 2005.

2. At the outset, SBC Missouri notes that it would be unlawful for the Commission to modify or alter the existing Metropolitan Calling Area ("MCA") Plan because such action would: (1) violate SBC Missouri's due process rights, as guaranteed by Article I, Section 10 of the Missouri Constitution; (2) violate Section 392.200.9, RSMo. 2000; (3) violate Section 392.245.11; and (4) be inconsistent with Missouri case law, which uniformly holds that the Commission's authority to regulate does not include the right to dictate the manner in which the company shall conduct its business. These substantive issues are more thoroughly set forth in SBC Missouri's Reply to the Office of the Public Counsel's Final Recommendation, dated May 10, 2005. Rather than

addressing these issues again in this pleading, SBC Missouri incorporates the arguments set forth in that pleading as if fully set forth herein.

3. Further, even if the Commission had the legal authority to proceed, which it does not, it should not do so. The OPC is proposing a radical change to the MCA Plan—the addition of eight exchanges to the Plan -- a new Tier 6 -- despite the fact that the competitive marketplace is already addressing these eight communities' needs. SBC Missouri and its long distance affiliate, SBC Long Distance, offer unlimited local and long distance calling plans to both their residential and business customers in Beaufort, St. Clair, Union, and Washington, all of which include a more expansive calling scope than OPC proposes in this case (nationwide calling vs. MCA calling) and all of which are less expensive than OPC proposes (either outright or if one considers the services included in the package).

4. Moreover, these communities have other competitive alternatives available to them, most notably wireless service, that obviate the need for the expansion of the MCA Plan. Further, optional MCA service as it is provisioned today, requires the use of dedicated area codes and prefixes. The competitive alternatives offered to customers do not require a customer to change his/her/its telephone number, as would be required under OPC's proposal. OPC has not demonstrated that customers in these communities are interested in MCA Service, especially in light of required number changes and especially when there are so many competitive alternatives available.

5. For all of these reasons, SBC Missouri reiterates its request that the Commission dismiss OPC's request for expansion of the MCA Plan. If the Commission finds that it can lawfully impose the expanded MCA service sought by OPC, it should not

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do so until it conducts a hearing to consider, among other matters, whether customers want MCA Service in these exchanges and whether these customers are willing to change their telephone numbers having been advised of the competitive alternatives that are available to them.

6. Pursuant to the Commission's April 21, 2005 Order Directing Filings, SBC Missouri files the following Illustrative Tariff Sheets, attached hereto and marked as Exhibit A. As noted above, in complying with the Order, SBC Missouri does not waive its position that the Commission may not lawfully impose OPC's proposal.

Wherefore, Southwestern Bell Telephone, L.P., d/b/a SBC Missouri, prays that the Commission dismisses this Case. If, contrary to SBC Missouri's position, the Commission determines that it has the authority to proceed, the Commission should conduct an evidentiary hearing to determine, among other issues, whether customers want MCA Service in these exchanges and whether customers would be willing to change their telephone numbers having been advised of the competitive alternatives that are available to them.

Respectfully submitted,

SOUTHWESTERN BELL TELEPHONE, L.P.

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CERTIFICATE OF SERVICE

Copies of this document were served on the following parties via e-mail on July 28, 2005.

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