STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY October 21, 1999

CASE NO: TM-2000-219

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102

Paul G. Lane/Leo J. Bub/Anthony K. Conroy/Katherine C. Swaller
Southwestern Bell Telephone Company
One Bell Center, Room 3518
St. Louis, MO 63101

General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

Uncertified Copy:

STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 21st day of October, 1999.

In the Matter of the Application of)
Southwestern Bell Telephone Company for)
Authority to Transfer Certain Assets to)
SBCS Switches, Inc.

ORDER APPROVING APPLICATION TO TRANSFER ASSETS

Southwestern Bell Telephone Company (SWBT) filed an application on September 7, 1999, for authority to transfer certain assets to SBCS Switches, Inc. (Switches, Inc.). Switches, Inc. is a Delaware corporation and is a wholly owned subsidiary of SWBT. Once the proposed transfer takes place, SWBT will distribute all of its stock in Switches, Inc. to SWBT's parent corporation, SBC Communications, Inc. (SBC). Thereafter SBC will merge Switches, Inc. into SBC Services, Inc. (Services, Inc.), with Services, Inc. being the surviving entity. Services, Inc. will utilize the assets that are the subject of SWBT's application, along with other assets, to provide centralized administrative support services to SWBT and other SBC subsidiaries.

On September 7, SWBT filed a motion requesting expedited review and approval of its application. SWBT requested that its application be approved by December 1, in order that SBC Services can begin providing services on January 1, 2000. In order to comply with SWBT's request for expedited consideration, the Commission issued an Order on September 21,

directing the Staff of the Public Service Commission (Staff) to file, no later than November 10, a recommendation regarding SWBT's application. On October 15, Staff filed a memorandum indicating that it has no objection to the proposed transaction and recommending approval of the application.

The Commission has reviewed the application, the accompanying documentation, and Staff's recommendation and finds that the proposed transfer of assets will have no adverse impact on the Missouri customers of SWBT. The Commission finds that the transaction is not detrimental to the public interest and should be approved.

IT IS THEREFORE ORDERED:

- That the Application filed by Southwestern Bell Telephone Company for authority to transfer certain assets to SBCS Switches, Inc. is approved.
 - 2. That this order shall become effective on November 2, 1999.
 - 3. That this case may be closed on November 3, 1999.

BY THE COMMISSION

Hole Hred Roberts

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

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Lumpe, Ch., Crumpton, Murray, and Drainer, CC., concur Schemenauer, C., absent

Woodruff, Regulatory Law Judge

ALJ/Sec'y: "Woodraft Bayce

10-19 TM-2000-219

Date Circulated CASE NO.

Lumpé: Chair

Crhapton, Commissioner

Murray, Commissioner

Murray, Commissioner

Agenda Date

Action taken:

Must Vote Not Later Than

Must Vote Not Later Than

STATE OF MISSOURI OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,

Missouri, this 21st day of October, 1999.

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

Hole Hard Roberts