

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

*RdO
Binder*

At a Session of the Public Service Commission held at its office in Jefferson City on the 20th day of December, 1988.

In the matter of the development of)
surrogates related to the change)
from Part 31 to Part 32 of the)
Uniform System of Accounts for)
Southwestern Bell Telephone Company,)
United Telephone Company of Missouri,)
Contel of Missouri Inc., GTE North,)
Incorporated, Fidelity Telephone)
Company, ALLTEL Missouri, Inc.,)
and AT&T Communications of the)
Southwest, Inc.)

CASE NO. TO-89-63

ORDER CLOSING DOCKET

On Friday, December 9, 1988, a prehearing conference was convened pursuant to the Commission's Notice Of Rescheduled Proceedings issued October 17, 1988. The following parties participated in the prehearing conference: Southwestern Bell Telephone Company, United Telephone Company of Missouri, Contel of Missouri, Inc., GTE North Incorporated, ALLTEL Missouri, Inc., AT&T Communications of the Southwest, Inc., Staff, Public Counsel and MCI. As a result of the negotiations and discussions at the prehearing conference, the parties agreed to present the following recommendations to the Commission:

- A. That no company shall be required to maintain a capital to expense surrogate as a result of this docket.
- B. That the Companies are not required to retain a separate set of books for purposes of calculating capital to expense shifts as a result of this docket.
- C. That the issue of appropriate record keeping and ratemaking treatment for capital to expense shifts may be addressed on a case-by-case basis as the need arises.

D. That the parties hereto are not bound to any determination regarding ratemaking treatment of Part 32 capital to expense shifts as a result of this docket.

E. That Case No. TO-89-63 should be dismissed without prejudice and without further proceedings and that the hearings scheduled in this case for December 14 and 15 should be cancelled.

The Commission having reviewed the Joint Recommendation concludes that it is reasonable and should be approved.

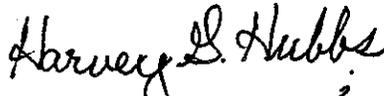
It is, therefore,

ORDERED: 1. That the Joint Recommendation filed herein on December 12, 1988, be, and it is, hereby approved.

ORDERED: 2. That Case No. TO-89-63 be, and it is, hereby dismissed.

ORDERED: 3. That this Order shall become effective on December 30, 1988.

BY THE COMMISSION



Harvey G. Hubbs
Secretary

(S E A L)

Steinmeier, Chm., Musgrave, Mueller,
Hendren and Fischer, CC., Concur.