BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Southwestern Bell Telephone)		
Company, d/b/a AT&T Missouri's Application)		
for Waiver of the General Distribution)	Case No.	
Requirement of White Page Directories Under)		
4 CSR 240-32.050(4)(B).)		

AT&T MISSOURI'S APPLICATION FOR WAIVER AND MOTION FOR EXPEDITED TREATMENT

The traditional residential white page telephone book no longer provides the same utility it once did. Based on trials AT&T recently conducted in Atlanta, Georgia and Austin, Texas, the vast majority of customers neither need nor use these often quite large, bound paper directories delivered to their homes each year.

AT&T Missouri¹ therefore respectfully requests² the Missouri Public Service

Commission ("Commission") to waive the general delivery requirement of Rule 4 CSR 24032.050(4)(B) and instead to allow AT&T Missouri the option to provide a paper copy of the residential white page telephone directory to households and businesses in its service territory only upon request (and at no charge). If granted this waiver, AT&T Missouri initially plans to deliver the AT&T Real Yellow Pages directory in the St. Louis and Kansas City markets. That directory will also contain the business white page listings, the Government listings, the customer guide information and other information required under the Commission's Rules. Also included will be materials informing customers they can receive a printed white pages directory containing residential listings which will be mailed at no cost to the customer.³ Customers tend

¹ Southwestern Bell Telephone Company, d/b/a AT&T Missouri, will be referred to in this pleading as "AT&T Missouri."

² AT&T Missouri makes this waiver request pursuant to Rule 240-32.010(2). It makes its motion for expedited treatment pursuant to Rule 240-2.080(16).

³ At this time, AT&T Missouri intends to continue distributing residential white page listings in other markets.

to find their residential listings in today's marketplace in a manner other than by using the printed white page directories so publishing largely unused residential white page books is an inefficient use of environmental resources.

AT&T Missouri respectfully requests Commission action on this Application by August 1, 2009, which meets AT&T Missouri's deadline for specifying the quantity of paper and procuring printing capacity that will be needed to print large upcoming white pages directories in Missouri.

In support of its waiver request, AT&T Missouri states:

Background on Applicant

1. AT&T Missouri is a Missouri corporation with its principal Missouri office at One AT&T Center, Room 3520, St. Louis, Missouri 63101. It may be contacted at the regular and electronic mail addresses and telephone and facsimile numbers of its attorneys, as set out under the signature block of this Application. AT&T Missouri is authorized to do business in Missouri⁴ and its fictitious name is duly registered with the Missouri Secretary of State. AT&T Missouri is a "local exchange telecommunications company" and a "public utility," and is duly authorized to provide "telecommunications service" within the State of Missouri, as each of those phrases is defined in Section 386.020, RSMo 2000.

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⁴ In accordance with 4 CSR 240-2.060(1) and (G), a certified copy of Southwestern Bell Telephone Company's Certificate of Good Standing from the Missouri Secretary of State was filed with the Commission on August 15, 2007, in Case No. IK-2008-0044.

⁵ In accordance with 4 CSR 240-2.060(1)(E) and (G), a copy of the registration of the fictitious name "AT&T Missouri" was filed with the Commission on July 17, 2007, in Case No. TO-2002-185.

⁶ Following its June 26, 2007, Order in Case No. TO-2002-185 allowing Southwestern Bell Telephone, L.P., d/b/a AT&T Missouri, to alter its status from a Texas limited partnership to a Missouri corporation, the Commission approved tariff revisions to reflect the new corporate name, Southwestern Bell Telephone Company d/b/a AT&T Missouri. *See*, Order Granting Expedited Treatment and Approving Tariffs, Case No. TO-2002-185, issued June 29, 2007.

2. All correspondence, pleadings, orders, decisions, and communications regarding this proceeding should be sent to:

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- 3. AT&T Missouri has no final unsatisfied judgments or decisions against it from any state or federal agency or court, which involves retail customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of this Application. Moreover, AT&T Missouri has no pending actions which satisfy the listed criteria in Arkansas, Kansas, Missouri or Oklahoma. AT&T Texas (the fictitious name under which Southwestern Bell Telephone Company operates in Texas) has six pending formal complaints or lawsuits from end-user customers in Texas which involve retail customer service or rates. ⁷
- 4. AT&T Missouri does not have any annual report or assessment fees that are overdue in Missouri.

AT&T Missouri's Waiver Request

5. Rule 4 CSR 240-32.050(4)(B) requires a company furnishing basic local telecommunications service to distribute telephone directories to its customers:

(4) Complaint of John J. Gitlin, Esq. Against AT&T Texas, Docket No. 34348.

⁷ The pending lawsuits in Texas involving customer service or rates are (1) <u>Irvings Holding, Inc. v. SBC Communications, Inc.</u>, Docket No. CC-05-07415-C and (2) <u>David Lavine, M.D. and David Lavine, M.D., P.A. d/b/a Center for Cosmetic and Reconstructive Surgery v. AT&T Inc.</u>, Cause No. 07-54771-2. The pending formal complaints before the Texas Public Utility Commission involving customer service or rates are as follows: (1) <u>Complaint of Harris County Hospital District Against AT&T Texas</u>, Docket No. 34332; (2) <u>Complaint of Harris County Hospital District Against AT&T Texas</u>, Docket No. 35363; Complaint of Lonzie Leath Against AT&T Texas, Docket No. 35133; and

Each company furnishing basic local telecommunications service shall publish or contract to publish telephone directories at regular intervals and shall provide or contract to provide directory assistance as follows:

. . .

- (B) Upon issuance, a copy of the applicable directory shall be distributed by the basic local telecommunications company to its customers served by that directory and two (2) copies of such directories shall be furnished to the commission and one (1) copy to the Office of the Public Counsel;
- 6. Consistent with this rule, AT&T Missouri currently provides households and businesses in its service territory a printed white pages directory containing residential listings.
- 7. For years, the residential white page directory was likely one of the most utilized books, and it served its purpose well. However, times have changed. While usage of AT&T's Business White Page and Yellow Page directories remain strong, AT&T Missouri's customers are now turning less and less to the residential white pages directory and are instead looking to online and other resources for listing information. In Austin, Texas and Atlanta, Georgia, AT&T ran a trial to help gauge customer demand for a bound paper copy of the white pages residential directory. Beginning in late November 2008 customers in Austin received one book from AT&T containing the Business White Pages, the Yellow Pages, the Customer Guide and all other information required under the Commission's Rules along with materials informing customers they could receive a printed white pages directory containing residential listings which would be mailed at no cost to the customer. Customers in Atlanta received the same information in two volumes, with the Business White Pages being separately bound. 8 After four months, only a fraction of AT&T's customers have requested a paper copy of the printed residential listings. When delivering paper copies based on customer requests, AT&T in Atlanta needed less than 1% of the books it had to print the previous year. And in Austin, it was less than 2.0%.

⁸ In those markets, customers in addition received a CD-ROM of the white pages directory containing residential listings.

- 8. Consumers tend not to use the residential listings in the white pages directory because of the following:
 - Growing number of homes do not have traditional wireline service.⁹
 - Most telephone numbers are not in the white pages. ¹⁰
 - Ability of wired and wireless devices to store large volumes of numbers.
 - Expanding use of Caller ID and similar technologies that capture numbers.
 - Phone lists and directories from work, schools, places of worship, civic associations and similar organizations.
 - Free directory assistance services.
 - Expanding use of online directory services.
- 9. The diminishing use of the printed residential white pages directories by customers and the growing reliance on and desire to use technological applications to retrieve directory information make clear that change is in order. It no longer makes sense for AT&T Missouri to annually distribute a bound paper copy of the residential white pages directory to every customer, without regard for the customer's own choice based on his or her own needs. AT&T Missouri is committed to responding to customers' changing needs as well as to employing reasonable environmental stewardship in conducting its business. Moving to replace a customer product with limited usage with a more environmentally sensitive set of alternatives

⁹ The FCC has reported that as of year-end 2006, 19.3% of households in the country were "households with wireless only." FCC Wireline Competition Bureau's August 2008 <u>Trends in Telephone Service</u> available for download at <u>www.fcc.gov/wcb/iatd/trends.html</u>, Table 7.4. This customer segment has grown dramatically and continues to grow. In 2001, this segment represented less than 2% of households From 2005 to 2006 alone, the segment grew over 70%. Id.

¹⁰ Based on FCC data, the number of Missouri telephone numbers not in white page directories far outweighs the number that are in the directories. The FCC's Wireline Competition Bureau's most recent report shows that in Missouri, as of June 30, 2007, there were 4.5M wireless subscribers (Table 11.2), nearly all of whom are not in white page directories. On the other hand, the FCC's report shows that there are only 3.2M wirelines in Missouri. And many of those customers have chosen not to have their telephone numbers published in the white pages directory. For reference of scale, AT&T Missouri only has approximately 1.6M publishable listings currently in its white pages directory database (which includes both AT&T and CLEC listings).

is a positive initiative which effectively melds customer needs and desires with more efficient resource usage. Thus, in order to facilitate customer choice, AT&T Missouri respectfully requests the option to cease automatically providing bound paper copies of the residential white pages to households and businesses in its service territory in Missouri. ¹¹ Customers would then have the option to order -- at no cost to them -- a paper white pages containing residential listings.

- 10. Under AT&T Missouri's proposal and upon Commission approval of this Application, AT&T Missouri would continue to furnish a printed directory containing AT&T's business white pages and Yellow Pages information. All information required by Commission Rules would be provided within this directory.
- 11. Recognizing that technological changes lead to lifestyle changes and a demand for innovative new products and services, AT&T has initiated similar directory alternatives in other states.¹³ In addition, other states have addressed the availability of optional forms of

¹¹ AT&T Missouri's initial plans are to implement this new plan for the St. Louis and Kansas City directories which are, by far, the largest directories published in Missouri. In other markets, AT&T Missouri initially plans to continue distributing a residential white page directory to every customer.

¹²Rule 240-32.050(4) requires telephone directories, in addition to "the names of all customers, their most definitive addresses, if available, and their telephone numbers," to include:.

⁽C) The name of the company, an indication of the area included in the directory and the month and year of issue shall be displayed prominently on the outside, front cover of each directory. Information pertaining to emergency calls (police, fire, etc.) and location of the company's public business office or related toll-free number shall appear conspicuously in the front part of the directory pages;

⁽D) The directory shall contain instructions for utilizing the Telecommunications Relay Service, and for placing local and long distance calls, calls for repairs and directory assistance and calls to the company's business office appropriate to the area served by the directory. The directory shall also include the address and telephone number of the Public Service Commission and its consumer services department, and the address and telephone number of the Office of the Public Counsel;

¹³ AT&T Missouri has filed similar requests in several other states and plans to make additional filings based on factors such as publishing cycles and market size. In some states, formal action was not necessary to make this directory distribution change.

providing listing information and have adopted alternatives to delivery of the traditional printed directory. ¹⁴

12. AT&T Missouri is committed to providing its customers with the ability to choose how they access and use white pages listing information by providing this information in multiple formats. Where AT&T Missouri's proposal is implemented, residential listing information will be available to consumers across these multiple platforms:

www.realpageslive.com

www.yellowpages.com

Print copy (upon request)

13. AT&T's user-friendly directory website, www.RealPagesLive.com, provides directory information in the traditional directory format. The same look and feel of the printed directory is provided on-line, but with valuable capabilities simply not possible with a printed version, such as adjusting the size of the font or performing electronic searches. ¹⁵ In addition, customers are able to access their local directory from any location where they can establish an

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¹⁴ Most recently, the Oklahoma Corporation Commission amended its directory rule to allow telephone companies to make the white page directory listings available through CD ROM or via the internet as long as customers could obtain a printed paper white pages directory at no charge upon request. In the Matter of a Rulemaking of the Oklahoma Corporation Commission, Amending OAC 165:55, Telecommunications Service Rules, Cause No. 2000800005 submitted for legislative approval on January 7, 2009. *See also*, R.H. Donnelley, Petition for Variance of Section 735.180 of the Illinois Admin. Code, No. 07-0434, Order, October 24, 2007 (Illinois Commerce Commission permitted limited distribution of white pages directories); In the Matter of the Application of Cincinnati Bell Telephone Company LLC for Waiver of Certain Minimum Telephone Service Standards as Set Forth in Chapter 4901:1-5, Ohio Administrative Code, Case No. 0801197-TP-WVR. Order Issued January 7, 2009; *and* In the Matter of the Application of AT&T Ohio for Waiver of Certain Minimum Telephone Service Standards as set Forth in Chapter 4901:1-5, Ohio Administrative Code, Case No. 09-42-TP-WVR. Order Issued February 11, 2009. (Public Utilities Commission of Ohio granted ILECs' waiver requests and allowed ILECs to cease providing residential white page directories on an up front basis and to deliver residential white page directories to only those customers who requested them).

¹⁵ The electronic directory is superior to the printed version in a number of other ways: it is searchable electronically and listings can be located instantaneously, while the printed book can only be consulted manually by reviewing alphabetical listings, the user can page forward or backward to check on other listings or see the other portion of a listing caption; it is easily accessible anywhere there is Internet access, even over cell phones and PDAs; business websites listed in the printed directory become hot links to the actual business websites in the electronic directory; and font size can be easily adjusted to meet the needs and preferences of each customer.

Internet connection. All of the existing directory information is located on this site, including residential white pages listings, business white pages listings, government listings and the Customer Guide, which contains the information required by Commission Rules.

- 14. Moreover, this website also includes access to the AT&T Real Yellow Pages, and by June 2009, every AT&T directory in 21 states will be available on this site, providing customers with access to more directory information than they currently receive. In order to ensure that customers continue to receive the most important information currently included in the residential white pages directory, AT&T Missouri proposes to distribute the Customer Guide information, the business white pages and the government listings with the printed AT&T Real Yellow Pages directory that will continue to be published and distributed by its affiliate to households and businesses in its service territory.
- 15. In order to inform customers of its new approach, AT&T Missouri will prominently place in two locations in the directories, a description of the plan and the options by which customers could acquire and access directory content, including the toll free number to request a free printed copy of the residential white pages listings as follows: (1) in the customer call guide in the front section of the AT&T Real Yellow Pages directory and (2) on a stiff tab insert in the AT&T Real Yellow Pages directory. On the first delivery cycle of any directory impacted by this change regarding residential white pages listings AT&T will also provide a ride-along communication piece in the delivery bag with the business white pages and the AT&T Real Yellow Pages explaining the options available for requesting and accessing free residential white pages listings. In addition, AT&T Missouri will work with the media in affected markets to help educate customers about the change and how they can request a directory if desired.

- 16. Given the diminished utility and demand for printed residential white pages directories, the obligation to continue to provide them on an unsolicited basis to all households and businesses in its service territory imposes unnecessary costs on AT&T Missouri and its customers and represents an inefficient use of resources.
- 17. Accordingly, AT&T Missouri requests a permanent waiver of Rule 4 CSR 240-32.050(4)(B) as described above.

AT&T Missouri's Request for Expedited Treatment

- 18. In support of its request for expedited treatment of this Application, AT&T Missouri states:
 - (A) AT&T Missouri requests the Commission take action on this Application by August 1, 2009.
 - (B) AT&T Missouri seeks expedited treatment in order to avoid purchasing a substantial volume of paper that may not be needed and to be able to make a final commitment to its printers on the amount of printing capacity that will be needed. In order to produce and print the various white page directories for Missouri, AT&T must order an extraordinarily large volume of paper approximately three to four months in advance of the target distribution date. At approximately the same time, commitments need to be made with the printer regarding the volume of directories to be printed. AT&T Missouri is currently targeting distribution of the next white pages directory for St. Louis, Missouri in December 2009 and for Kansas City in January 2010 and would need to specify the quantity of paper that will be needed by August 1, 2009. There will be no negative effect on AT&T Missouri's customers or the general public if the Commission acts by this date.
 - (C) AT&T Missouri filed this application as soon as it determined it wished to change its white pages delivery method for Missouri and could prepare this filing.

WHEREFORE, AT&T Missouri requests that having demonstrated good cause, the Commission by August 1, 2009, issue an order permanently waiving the provisions of 4 CSR 240-32.050(4)(B) that require AT&T Missouri to furnish a paper copy of the residential white page telephone directory to every customer and instead to allow AT&T Missouri the option to

provide a paper copy of the residential white page telephone directory only upon request (and at no charge).

Respectfully submitted,

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CERTIFICATE OF SERVICE

Copies of this document were served on the following parties by e-mail on April 2, 2009.

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