



Leo J. Bub
General Attorney

SBC Missouri
One SBC Center
Room 3518
St. Louis, Missouri 63101

314.235.2508 Phone
314.247.0014 Fax

leo.bub@sbc.com

June 14, 2004

The Honorable Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
200 Madison Street, Suite 100
Jefferson City, Missouri 65101

Re: Revised Schedules 2 and 7 to SBC Missouri's
2002 Annual Report

Dear Judge Roberts:

Enclosed for filing with the Commission are revised Schedules 2 and 7 for SBC Missouri's 2002 Annual Report.

We are making this revision to our 2002 Missouri Annual Report due to an adjustment we recently made in our 2002 FCC ARMIS Report. During 2003, the company observed that the methodology used by SBC Services, Inc., an administrative affiliate of Southwestern Bell Telephone Company, L.P. ("SWBT") to allocate its costs among benefiting affiliates was not applied appropriately. The prior method used resulted in too much costs being billed to SWBT. In addition, it was also discovered that certain costs billed from Pacific Bell Telephone to SBC Services, Inc. for leased assets were not calculated appropriately. This also caused an incorrect amount of shared costs to be billed to SWBT.

Please call me with any questions or if anything further is needed.

Very truly yours,

A handwritten signature in black ink, appearing to read "Leo J. Bub", written in a cursive style.

Leo J. Bub

Enclosures

cc: Mr. David A. Meyer (w/o Report - via E-Mail)
Mr. David Winter (w/o Report - via E-Mail)
Mr. Michael F. Dandino (w/o Report - via E-Mail)