BEFORE THE PUBLIC SERVICE COMMISSION STATE OF MISSOURI

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|)107)241 | e Conmission |

In Re the matter of Excel Communications
Inc's proposed tariff introducing a
State Access Recovery Fee and increasing
other rates

Case No. LT-2003-0107 Tariff No. JL-2003-0241

OFFICE OF THE PUBLIC COUNSEL'S MOTION FOR REHEARING

COMES NOW the Office of the Public Counsel (Public Counsel) and pursuant to Section 386.500, RSMo. and 4 CSR 240-2.160, specifically sets forth the reasons warranting a rehearing and respectfully moves the Missouri Public Service Commission (Commission) to grant rehearing of its ORDER DENYING MOTION AND APPROVING TARIFF dated October 3, 2002 and effective October 8, 2002 that denied Office of the Public Counsel's motion brought pursuant to Sections 392.200 and 392.185, RSMo. 2000 and Section 392.500, RSMo.2000. Public Counsel asked the Commission to suspend Excel Communications, Inc.'s proposed tariffs that increase certain rates for its service for Missouri customers because the purported notice to consumers of the increase was not adequate and reasonable notice of the increases and, therefore, did not comply with Section 392.500, RSMo. The PSC denied Public Counsel's motion to suspend the tariff on those grounds and approved the tariff.

Public Counsel requests rehearing because the decision is unlawful, unjust, and unreasonable and is arbitrary, capricious, unsupported by substantial and competent evidence, and is against the weight of the evidence considering the whole record, is in violation of constitutional provisions of due process, is unauthorized by law, made upon

an unlawful procedure and without a fair trial, and constitutes an abuse of discretion, all as more specifically and particularly described in this motion.

- 1. The Commission misinterpreted the law and misapplied the facts by failing to recognize and consider that the purported notice of the increase failed to identify for Excel's customers the specific service that is subject to the increase as well as the specific rate to be imposed pursuant to this notice and under the tariff. Without this basic information, the purported notice provides inadequate information and fails to warn the customer which services face an increased rate and, there fails to reasonably and materially comply with the elementary notice provisions of Section 392.500, RSMo 2000.
- 2. The purported notice of rate increases is inadequate and insufficient to inform customers of the pending rate increases as it is buried in a promotional letter that does not call attention to rate increases. It generally notes that "... some of the rates that apply to your Excel long distance product may have changed." (emphasis supplied) (See, Appendix B to Staff Recommendation and Attachment A to Public Counsel's Amended Motion To Suspend filed October 2, 2002)
- 3. The notice of increases of rates for competitive telecommunications companies offering competitive services is minimal, but it has key aspects that must be met to fairly and reasonable comply with Section 392.500, RSMo. Compliance with these rudimentary notice requirements are a prerequisite to increases the rates of any of the company's services.
 - 4. Section 392.500, RSMo provides:

392.500. Except as provided in section 392.200, proposed changes in rates or charges, or any classification or tariff provision affecting rates

- or charges, for any competitive telecommunications service, shall be treated pursuant to this section as follows:
- (1) Any proposed decrease in rates or charges, or proposed change in any classification or tariff resulting in a decrease in rates or charges, for any competitive telecommunications service shall be permitted only upon the filing of the proposed rate, charge, classification or tariff after seven days' notice to the commission; and
- (2) Any proposed increase in rates or charges, or proposed change in any classification or tariff resulting in an increase in rates or charges, for any competitive telecommunications service shall be permitted only upon the filing of the proposed rate, charge, classification or tariff and upon notice to all potentially affected customers through a notice in each such customer's bill at least ten days prior to the date for implementation of such increase or change, or, where such customers are not billed, by an equivalent means of prior notice. (Emphasis added.)
- 5. Under Section 392.500, the customer is entitled to notice of "a proposed increase in rates or charges." The intent of the section is to give the customer meaningful notice of the increase. The plain meaning of this section is that the notice must contain sufficient information so that (1) the customers can see that they are "potentially affected," (2) that there is a proposed increase in rates or charges sufficiently definite to advise customers what is occurring, (3) that other action is being taken such as a change in classification of services or a tariff that results in an increase of rates or charges, (4) it must be given in a notice that is in each affected customer's bill (5) it must be given to the customer at least ten days before the effective date of the increased charge or change in classification or tariff that results in a change (6) or if the customer is not billed, "by an equivalent means of prior notice." At best, from the information before the PSC under this tariff filing, the only requirement that the Commission could possibly find compliance with Section 392.500 is that the purported notice was dated as of August 28, 2002 which suggests (but does not prove) that it was sent ten days prior to the effective

date of the increases. There is no evidence before the PSC that the underlying facts that could give rise to compliance with Section 392.500 exist. On the contrary, the information before the Commission (the pleadings, the tariff, and the Staff recommendation) do not provide these necessary facts, but raise questions regarding compliance.

- 6. The obvious legislative purpose is that the notice under Section 392.500 should be a meaningful notice that adequately informs the customer that the prices and charges paid for Excel's telecommunications services are increasing. To be meaningful, it should as a minimum at least identify the services that are being increased and the rate charged after the increase. It is not burdensome for a company to list the name of the services that are subject to increase and set out the rates as proposed. The Commission should note that Sprint did exactly this in the customer notices it issued as part of its recently filed tariff. (Attached here and incorporated herein by reference is Sprint's filing letter of October 1, 2002 and the accompanying customer notices.) Whether it may be burdensome or not, the law requires notice of increases and the notice should at least identify the service and the increased price in order to be meaningful. Anything less is no notice.
- 7. Excel submitted to the Staff (but did not include with its tariff filing) the letter to customers that Excel claims is its customer notice. This letter may be the "equivalent means of prior notice" that purports to be the statutory notice (Attachment A). This letter falls short of a notice of an increase in rates. It appears designed not to provide meaningful notice of increases, but rather to divert the customer's attention by covering a variety of topics without denominating any portion of it as a notice of rate

increases. Compare this piece of promotional material with Sprint's customer notice attrached to this rehearing motion. It unequivocally notifies the customer that rates changes are the focus of this communication and the company is identifies the specific services and the proposed rates.

- 8. An analysis of Excel's customer letter reveals that there is no meaningful notice that specific rates are proposed for an increase. The Commission is requested to examine the letter paragraph by paragraph for its content and to determine how and in what way the information set forth therein provides meaningful notice from the face of the notice.
- 9. The first two paragraphs do not provide meaningful notice of rate increases. The first paragraph is a standard thank you and request for continued patronage. The second paragraph refers customers to enclosed updated Terms and Conditions of Service that services as the contract between the customer and the company. The customer is alerted to a portion of the agreement concerning consent for use of Customer Proprietary Network Information, but there is no mention of any rate increases. Passing by paragraph 3 for the moment, paragraph four is a promotion for additional products offered by Excel (services not regulated by the PSC). Paragraph five is a promotion to contact a service representative or visit its web site to learn about these and other products. The final paragraph is a standard thank you and closing.
- 10. The third paragraph finally broaches the subject of rates, but only refers to "rate changes" and does not alert the customer to proposed increases. This paragraph reads as follows: "In addition, some of the rates that apply to your Excel long distance product may have changed. Any change to your account will take effect October 1,2002.

To find out if there is a change to any of your rates, you may log onto our web site at www.excel.com/ratechanges/re7 or call us at 1-800-251-6166 to verify any changes to your rates."

- 11. This third paragraph does not identify any product or service that is subject to a rate increase. It does not identify or quantify the proposed rate increases in the tariffs. (Again, the PSC is requested to compare this paragraph with the Sprint notice.) This letter does not even use the word "increase." The statute specifically uses the words "increases" and changes in classifications that result in "increased rates or charges." Excel broadly refers to "changes" in your account or "changes" in rates. The language of the letter is not designed to disclose, but to hide the facts and make it difficult for the consumer to discover the information needed to have meaningful notice.
- 12. Excel's purported notice does not notify the customer of any increase. It is only a general reference to rate changes that are not set out in the notice. From this "notice" the customer cannot tell what services are being increased and what the new rate is. The "notice" does not specify what services are subject to rate increases. The consumer is not informed of anything except "changes" have been made.
- 13. Excel unlawfully shifts the burden of notification to the customer by making the customer go to its web site or force the customer to call its customer service representatives to find out if any changes were made to any of the rates that apply to the customer. Reference to a website to gain the essential information that a meaningful notice should contain is no notice. It certainly is no notice to those customers with no computer, or computer access, or computer skill necessary to get on line, find the web site, navigate through it to find the relevant information and then learn what these

"changes" are all about and what they mean to that customer. Calling an 800 number to obtain the information that should be provided plainly and simply to the customer again is not meaningful notice and is no notice. Excel has evaded its statutory duty to give the customer notice of the services affected and the increased rates by shifting the burden of providing notice. Excel makes the customer responsible for discovering the affected services and the increased rates. This shift in responsibility is not fair and is inconsistent with the intent and purposes of Section 392.500. It violates the plain meaning and direction of the statute that the company must give direct notice of an increase. This reference to a web site and 800 number is nothing but an indirect attempt to circumvent its statutory notice duty.

- 14. This letter fails to meet the basic elements of an increased rate notice and seems calculated to lull the customer into seeing it as an advertisement or promotional letter or just boilerplate language on general terms and conditions.
- letter. The Staff's recommendation highlight significant problems with the notice letter. The Staff said that the notification document "lacks statements identifying specific long distance service plans or the associated effects of rate increases or decreases." The Staff's memo notes that the letter refers customers to the Excel web site or to an 800 number to find information about the "current rates for the subscribed services." Staff's memorandum advises the PSC that the Staff checked the web site and "eventually found the tariffed plans and their adjusted prices. . . . "The Staff found the web site "complex and a cumbersome means to obtain price information." Staff also called the 800 number and obtained new prices for plans. With regard to both methods, the Staff found that neither specifically identified the product with rate changes by the

product name in the tariff. Although the Staff found that the information provided was correct, it found that both methods were "inconvenient." Although the Staff expressed these specific reservations and misgivings about the notice letter, it said it complied with Section 392.500.

- 16. The Staff's memo demonstrates the inadequacy of the notice. If experts in telecommunications have difficulty in using the web site and 800 number to discover what service is scheduled for increases and what the amount of the increase is, then it is no help to ordinary consumers to fairly and reasonably advise Excel customers of the service scheduled for increase and the amount of the increase.
- 17. The order of the Commission failed to make adequate findings of fact and conclusions of law. There is no findings of the underlying facts which demonstrate that the statutory notice was fulfilled. There is only the broad conclusory statement that it complies. The Staff's memo is no help to provide the missing factual basis. The order here does not inform a reviewing court of the basic findings on which the Commission's ultimate findings rest. The conclusory nature of the order is insufficient to show the basis of the decision. The order must contain unequivocal, affirmative findings of fact so that a reviewing court is able to determine whether the order is supported by substantial and competent evidence without combing the PSC's evidentiary record. Noranda Aluminum, Inc. v. PSC, 24 S.W.3d 342, 245-6 (Mo. App. 2000) The Commission has issued an order that states that a telecommunications company has performed its statutory duty of customer notice without evidence to support that conclusion and without identifying the facts that show this compliance.

For the foregoing reasons, Public Counsel asks the PSC to set aside its order and grant rehearing and set this matter for an evidentiary hearing and to hold a public hearing on this tariff.

Respectfully submitted,

/s/-Michael F. Dandiŋô

OFFICE OF THE PUBLIC COUNSEL

BY: (

Michael F. Dandino (Bar No. 24590)

Senior Public Counsel

200 Madison Street, Box 7800

Jefferson City, MO 65102

Telephone: (573) 751-5559

Facsimile: (573) 751-5562

E-mail:

mdandino@ded.state.mo.us

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was emailed or hand delivered this 4th day of October, 2002 to the following:

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

Legal Department Excel Telecommunications, Inc. 1600 Viceroy Drive Dallas, TX 75235

/s/ Michael F. Dandino



FILE COPY

Lisa Padilla State Tariff Analyst 6450 Sprint Parkway Overland Park, KS 66251 MS: KSOPHN0304-3B354

Voice: 913-315-9370 800 Voice: 866-727-4350 Fax: 913-315-0763

VIA AIRBORNE EXPRESS

October 1, 2002

Mr. Dale Hardy Roberts
Secretary of the Public Service Commission
Missouri Public Service Commission
200 Madison Street, Suite 360
Jefferson City, MO 65102-0360

Dear Mr. Roberts:

Please find enclosed for filing the original and eight copies of revisions to Sprint's P.S.C. Mo. No. 2. The following tariff page is being issued:

7th Revised Page A-45

5th Revised Page A-46

3rd Revised Page A-51

4th Revised Page A-64

4th Revised Page A-65

4th Revised Page A-66

3rd Revised Page A-68

2nd Revised Page A-69

9th Revised Page A-71.1

8th Revised Page A-72

9th Revised Page A-72.1

6th Revised Page A-73

6th Revised Page A-73.1

3rd Revised Page A-86

1st Revised Page A-86.1

1st Revised Page A-87

The purpose of this filing is to:

- Increase rates for Sprint Clarity Switched, Dedicated and SDS InterLATA/IntraLATA rates.
- Increase rates for Sprint Real Solutions Annual Dial-1, Toll Free and SDS InterLATA/IntraLATA rates.
- Increase rates for Real Solutions VPN Premiere InterLATA/IntraLATA rates.
- Increase rates for Sprint Real Solutions VPN and Real Solutions SDS InterLATA/IntraLATA rates.
- Correct rates for Real Solutions Option A 800 Solutions and Data Solutions Switched/Dedicated 2-Year and 3-Year rates.

Mr. Dale Hardy Roberts Missouri Public Service Commission October 1, 2002 Page 2

A copy of the customer bill notice is enclosed for your convenience.

Sprint respectfully requests this tariff filing to become effective October 15, 2002.

If you have any questions, please do not hesitate to call me toll free at (866) 727-4350 or at (913) 315-9370.

Sincerely,

Lisa Padilla

State Tariff Analyst - External Affairs

Enclosures

MO 02-74



Sprint Communications Company L.P. will file a tariff revision with the Missouri Public Service Commission, to be effective October 15, 2002, for the following proposed Missouri in-state rates and surcharge:

Proposed Rates for Clarity

| CLARITY Switched InterLATA | | , | | | Dedicated InterLATA | | | | |
|----------------------------------|----------|----------|----------|----------|------------------------|----------|--------------|----------|----------|
| | Dia | al-1 | Toll | Free | | Dia | ı i-1 | Toli | Free |
| | Peak | Off Peak | Peak | Off Peak | | Peak | Off Peak | Peak | Off Peak |
| | \$0.2780 | \$0.2240 | \$0.3160 | \$0.2530 | | \$0.1850 | \$0.1480 | \$0.1520 | \$0.1210 |
| Switched IntraLATA | | | | | Dedicated IntraLATA | | | | |
| | Dia | al-1 | Toll | Free | | Dia | ı l-1 | Toll | Free |
| | Peak | Off Peak | Peak | Off Peak | | Peak | Off Peak | Peak | Off Peak |
| | \$0.2780 | \$0.2240 | \$0.3160 | \$0.2530 | | \$0.1850 | \$0.1480 | \$0.1520 | \$0.1210 |
| SDS | | | | | SDS | | | | |
| | Pe | ak | Off | Peak | | Pe | ak | Off | Peak |
| | 30 Sec | 6 Sec | 30 Sec | 6 Sec | | 30 Sec | 6 Sec | 30 Sec | 6 Sec |
| | \$0.1510 | \$0.0302 | \$0.1370 | \$0.0274 | | \$0.1040 | \$0.0208 | \$0.0900 | \$0.0180 |
| Minute | | | | | Minute | | | | |
| | Pe | ak | Off | Peak | | Pe | ak | Off | Peak |
| | \$0.3 | 3020 | \$0.: | 2740 | | \$0.2 | | | 1800 |



Sprint Communications Company L.P. will file a tariff revision with the Missouri Public Service Commission, to be effective October 15, 2002, for the following proposed Missouri in-state rates and surcharge:

Proposed Rates for Real Solutions Annual

| InterL/ | NTA I | (Diai - | · 1/ | Toll | Free: |) |
|---------|-------|---------|------|------|-------|---|
|---------|-------|---------|------|------|-------|---|

| Annual Commitment Level | 1 Year | | 2 Year | | 3 Year | |
|--------------------------------|----------|-----------|----------|-----------|----------|-----------|
| | Switched | Dedicated | Switched | Dedicated | Switched | Dedicated |
| \$ 12,000 | \$0.1590 | \$0.0920 | \$0.1590 | \$0.0920 | \$0.1590 | \$0.0920 |
| \$ 36,000 | \$0.1590 | \$0.0920 | \$0.1590 | \$0.0920 | \$0.1590 | \$0.0920 |
| \$ 60,000 | \$0.1590 | \$0.0920 | \$0.1590 | \$0.0920 | \$0.1590 | \$0.0920 |
| \$ 120,000 | \$0.1580 | \$0.0910 | \$0.1580 | \$0.0910 | \$0.1580 | \$0.0910 |
| \$ 180,000 | \$0.1580 | \$0.0910 | \$0.1580 | \$0.0910 | \$0.1580 | \$0.0910 |
| \$ 300,000 | \$0.1580 | \$0.0910 | \$0.1580 | \$0.0910 | \$0.1580 | \$0.0910 |
| \$ 540,000 | \$0.1580 | \$0.0910 | \$0.1580 | \$0.0910 | \$0.1580 | \$0.0910 |
| \$ 780,000 | \$0.1580 | \$0.0910 | \$0.1580 | \$0.0910 | \$0.1580 | \$0.0910 |
| \$ 960,000 | \$0.1580 | \$0.0910 | \$0.1580 | \$0.0910 | \$0.1580 | \$0.0910 |

IntraLATA (Dial - 1/ Toll Free)

| Annual Commitment Level | 1 Year | | 2 Year | | 3 Year | |
|--------------------------------|----------|-----------|----------|-----------|----------|-----------|
| | Switched | Dedicated | Switched | Dedicated | Switched | Dedicated |
| \$ 12,000 | \$0.1520 | \$0.0920 | \$0.1520 | \$0.0920 | \$0.1520 | \$0.0920 |
| \$ 36,000 | \$0.1520 | \$0.0920 | \$0.1520 | \$0.0920 | \$0.1520 | \$0.0920 |
| \$ 60,000 | \$0.1520 | \$0.0920 | \$0.1520 | \$0.0920 | \$0.1520 | \$0.0920 |
| \$ 120,000 | \$0.1510 | \$0.0910 | \$0.1510 | \$0.0910 | \$0.1510 | \$0.0910 |
| \$ 180,000 | \$0.1510 | \$0.0910 | \$0.1510 | \$0.0910 | \$0.1510 | \$0.0910 |
| \$ 300,000 | \$0.1510 | \$0.0910 | \$0.1510 | \$0.0910 | \$0.1510 | \$0.0910 |
| \$ 540,000 | \$0.1510 | \$0.0910 | \$0.1510 | \$0.0910 | \$0.1510 | \$0.0910 |
| \$ 780,000 | \$0.1510 | \$0.0910 | \$0.1510 | \$0.0910 | \$0.1510 | \$0.0910 |
| \$ 960,000 | \$0.1510 | \$0.0910 | \$0.1510 | \$0.0010 | ¢n 1510 | \$0.0010 |

SDS

| Annual Commitment Level | 1 Year | | 2 Year | | 3 Year | |
|--------------------------------|----------|-----------|----------|-----------|----------|-----------|
| | Switched | Dedicated | Switched | Dedicated | Switched | Dedicated |
| \$ 12,000 | \$0.3160 | \$0.2210 | \$0.3160 | \$0.2210 | \$0.3160 | \$0.2210 |
| \$ 36,000 | \$0.3160 | \$0.2210 | \$0.3160 | \$0.2210 | \$0.3160 | \$0.2210 |
| \$ 60,000 | \$0.3160 | \$0.2210 | \$0.3160 | \$0.2210 | \$0.3160 | \$0.2210 |
| \$ 120,000 | \$0.3010 | \$0.2070 | \$0.3010 | \$0.2070 | \$0.3010 | \$0.2070 |
| \$ 180,000 | \$0.3010 | \$0.2070 | \$0.3010 | \$0.2070 | \$0.3010 | \$0.2070 |
| \$ 300,000 | \$0.3010 | \$0.2070 | \$0.3010 | \$0.2070 | \$0.3010 | \$0.2070 |
| \$ 540,000 | \$0.2850 | \$0.1900 | \$0.2850 | \$0.1900 | \$0.2850 | \$0.1900 |
| \$ 780,000 | \$0.2850 | \$0.1900 | \$0.2850 | \$0.1900 | \$0.2850 | \$0.1900 |
| \$ 960,000 | \$0.2850 | \$0.1900 | \$0.2850 | \$0.1900 | \$0.2850 | \$0.1900 |



Sprint Communications Company L.P. will file a tariff revision with the Missouri Public Service Commission, to be effective October 15, 2002, for the following proposed Missouri in-state rates and surcharge:

Proposed Rates for Real Solutions VPN:

| InterLATA | Off Net - | Off Net | IntraLATA | Off Net - | Off Net |
|-------------------------------|-----------|----------|------------------------|-----------|----------|
| Annual Term Commitment | 2 Year | 3 Year | Annual Term Commitment | 2 Year | 3 Year |
| \$ 120,000 | \$0.1423 | \$0.1423 | \$ 120,000 | \$0.1370 | \$0.1370 |
| \$ 180,000 | \$0.1423 | \$0.1423 | \$ 180,000 | \$0.1370 | \$0.1370 |
| \$ 240,000 | \$0.1423 | \$0.1423 | \$ 240,000 | \$0.1370 | \$0.1370 |
| \$ 300,000 | \$0.1423 | \$0.1423 | \$ 300,000 | \$0.1370 | \$0.1370 |
| \$ 420,000 | \$0.1423 | \$0.1423 | \$ 420,000 | \$0.1370 | \$0.1370 |
| \$ 540,000 | \$0.1423 | \$0.1423 | \$ 540,000 | \$0.1370 | \$0.1370 |
| \$ 780,000 | \$0.1423 | \$0.1423 | \$ 780,000 | \$0.1370 | \$0.1370 |
| \$ 960,000 | \$0.1423 | \$0.1423 | \$ 960,000 | \$0.1370 | \$0.1370 |
| InterLATA | On Net - | Off Net | IntraLATA - | On Net - | Off Net |
| Annual Term Commitment | 2 Year | 3 Year | Annual Term Commitment | 2 Year | 3 Year |
| \$ 120,000 | \$0.0803 | \$0.0803 | \$ 120,000 | \$0.0803 | \$0.0803 |
| \$ 180,000 | \$0.0803 | \$0:0803 | \$ 180,000 | \$0.0803 | \$0.0803 |
| \$ 240,000 | \$0.0803 | \$0.0803 | \$ 240,000 | \$0.0803 | \$0.0803 |
| \$ 300,000 | \$0.0803 | \$0.0803 | \$ 300,000 | \$0.0803 | \$0.0803 |
| \$ 420,000 | \$0.0803 | \$0.0803 | \$ 420,000 | \$0.0803 | \$0.0803 |
| \$ 540,000 | \$0.0803 | \$0.0803 | \$ 540,000 | \$0.0803 | \$0.0803 |
| \$ 780,000 | \$0.0803 | \$0.0803 | \$ 780,000 | \$0.0803 | \$0.0803 |
| \$ 960,000 | \$0.0803 | \$0.0803 | \$ 960,000 | \$0.0803 | \$0.0803 |
| InterLATA | Off Net | - On Net | IntraLATA | Off Net | - On Net |
| Annual Term Commitment | 2 Year | 3 Year | Annual Term Commitment | 2 Year | 3 Year |
| \$ 120,000 | \$0.0803 | \$0.0803 | \$ 120,000 | \$0.0803 | \$0.0803 |
| \$ 180,000 | \$0.0803 | \$0.0803 | \$ 180,000 | \$0.0803 | \$0.0803 |
| \$ 240,000 | \$0.0803 | \$0.0803 | \$ 240,000 | \$0.0803 | \$0.0803 |
| \$ 300,000 | \$0.0803 | \$0.0803 | \$ 300,000 | \$0.0803 | \$0.0803 |
| \$ 420,000 | \$0.0803 | \$0.0803 | \$ 420,000 | \$0.0803 | \$0.0803 |
| \$ 540,000 | \$0.0803 | \$0.0803 | \$ 540,000 | \$0.0803 | \$0.0803 |
| \$ 780,000 | \$0.0803 | \$0.0803 | \$ 780,000 | \$0.0803 | \$0.0803 |
| \$ 960,000 | \$0.0803 | \$0.0803 | \$ 960,000 | \$0.0803 | \$0.0803 |

| InterLATA | On Net - On Net | | IntraLATA | On Net | On Net - On Net | |
|-------------------------------|-----------------|----------|------------------------|----------|-----------------|--|
| Annual Term Commitment | 2 Year | 3 Year | Annual Term Commitment | 2 Year | 3 Year | |
| \$ 120,000 | \$0.0696 | \$0.0696 | \$ 120,000 | \$0.0696 | \$0.0696 | |
| \$ 180,000 | \$0.0696 | \$0.0696 | \$ 180,000 | \$0.0696 | \$0.0696 | |
| \$ 240,000 | \$0.0696 | \$0.0696 | \$ 240,000 | \$0.0696 | \$0.0696 | |
| \$ 300,000 | \$0.0696 | \$0.0696 | \$ 300,000 | \$0.0696 | \$0.0696 | |
| \$ 420,000 | \$0.0696 | \$0.0696 | \$ 420,000 | \$0.0696 | \$0.0696 | |
| \$ 540,000 | \$0.0696 | \$0.0696 | \$ 540,000 | \$0.0696 | \$0.0696 | |
| \$ 780,000 | \$0.0696 | \$0.0696 | \$ 780,000 | \$0.0696 | \$0.0696 | |
| \$ 960,000 | \$0.0696 | \$0.0696 | \$ 960,000 | \$0.0696 | \$0.0696 | |



Sprint Communications Company L.P. will file a tariff revision with the Missouri Public Service Commission, to be effective October 15, 2002, for the following proposed Missouri in-state rates and surcharge:

Proposed Rates for Real Solutions VPN SDS:

| interLATA | Off Net - | Off Net | IntraLATA | Off Net - | Off Net |
|-------------------------------|-----------|----------|------------------------|-----------|----------|
| Annual Term Commitment | 2 Year | 3 Year | Annual Term Commitment | 2 Year | 3 Year |
| \$ 120,000 | \$0.2675 | \$0.2675 | \$ 120,000 | \$0.2675 | \$0.2675 |
| \$ 180,000 | \$0.2675 | \$0.2675 | \$ 180,000 | \$0.2675 | \$0.2675 |
| \$ 240,000 | \$0.2675 | \$0.2675 | \$ 240,000 | \$0.2675 | \$0.2675 |
| \$ 300,000 | \$0.2675 | \$0.2675 | \$ 300,000 | \$0.2675 | \$0.2675 |
| \$ 420,000 | \$0.2536 | \$0.2536 | \$ 420,000 | \$0.2536 | \$0.2536 |
| \$ 540,000 | \$0.2536 | \$0.2536 | \$ 540,000 | \$0.2536 | \$0.2536 |
| \$ 780,000 | \$0.2536 | \$0.2536 | \$ 780,000 | \$0.2536 | \$0.2536 |
| \$ 960,000 | \$0.2536 | \$0.2536 | \$ 960,000 | \$0.2536 | \$0.2536 |
| InterLATA | On Net - | Off Net | IntraLATA | On Net | Off Net |
| Annual Term Commitment | 2 Year | 3 Year | Annual Term Commitment | 2 Year | 3 Year |
| \$ 120,000 | \$0.1830 | \$0.1830 | \$ 120,000 | \$0.1830 | \$0.1830 |
| \$ 180,000 | \$0.1830 | \$0.1830 | \$ 180,000 | \$0.1830 | \$0.1830 |
| \$ 240,000 | \$0.1830 | \$0.1830 | \$ 240,000 | \$0.1830 | \$0.1830 |
| \$ 300,000 | \$0.1830 | \$0.1830 | \$ 300,000 | \$0.1830 | \$0.1830 |
| \$ 420,000 | \$0.1691 | \$0.1691 | \$ 420,000 | \$0.1691 | \$0.1691 |
| \$ 540,000 | \$0.1691 | \$0.1691 | \$ 540,000 | \$0.1691 | \$0.1691 |
| \$ 780,000 | \$0.1691 | \$0.1691 | \$ 780,000 | \$0.1691 | \$0.1691 |
| \$ 960,000 | \$0.1691 | \$0.1691 | \$ 960,000 | \$0.1691 | \$0.1691 |
| InterLATA | Off Net | - On Net | IntraLATA | Off Net | - On Net |
| Annual Term Commitment | 2 Year | 3 Year | Annual Term Commitment | 2 Year | 3 Year |
| \$ 120,000 | \$0.1830 | \$0.1830 | \$ 120,000 | \$0.1830 | \$0.1830 |
| \$ 180,000 | \$0.1830 | \$0.1830 | \$ 180,000 | \$0.1830 | \$0.1830 |
| \$ 240,000 | \$0.1830 | \$0.1830 | \$ 240,000 | \$0.1830 | \$0.1830 |
| \$ 300,000 | \$0.1830 | \$0.1830 | \$ 300,000 | \$0.1830 | \$0.1830 |
| \$ 420,000 | \$0.1691 | \$0.1691 | \$ 420,000 | \$0.1691 | \$0.1691 |
| \$ 540,000 | \$0.1691 | \$0.1691 | \$ 540,000 | \$0.1691 | \$0.1691 |
| \$ 780,000 | \$0.1691 | \$0.1691 | \$ 780,000 | \$0.1691 | \$0.1691 |
| \$ 960,000 | \$0.1691 | \$0.1691 | \$ 960,000 | \$0.1691 | \$0.1691 |

| InterLATA | On Net - On Net | | IntraLATA | On Net | On Net - On Net | |
|-------------------------------|-----------------|----------|------------------------|----------|-----------------|--|
| Annual Term Commitment | 2 Year | 3 Year | Annual Term Commitment | 2 Year | 3 Year | |
| \$ 120,000 | \$0.1455 | \$0.1455 | \$ 120,000 | \$0.1455 | \$0.1455 | |
| \$ 180,000 | \$0.1455 | \$0.1455 | \$ 180,000 | \$0.1455 | \$0.1455 | |
| \$ 240,000 | \$0.1455 | \$0.1455 | \$ 240,000 | \$0.1455 | \$0.1455 | |
| \$ 300,000 | \$0.1455 | \$0.1455 | \$ 300,000 | \$0.1455 | \$0.1455 | |
| \$ 420,000 | \$0.1316 | \$0.1316 | \$ 420,000 | \$0.1316 | \$0.1316 | |
| \$ 540,000 | \$0.1316 | \$0.1316 | \$ 540,000 | \$0.1316 | \$0.1316 | |
| \$ 780,000 | \$0.1316 | \$0.1316 | \$ 780,000 | \$0.1316 | \$0.1316 | |
| \$ 960,000 | \$0.1316 | \$0.1316 | \$ 960,000 | \$0.1316 | \$0.1316 | |



Sprint Communications Company L.P. will file a tariff revision with the Missouri Public Service Commission, to be effective October 15, 2002, for the following proposed Missouri in-state rates and surcharge:

VPN Premiere^{s™}

| (IntraLATA) (InterLATA) Initial Additional Initial Initia | conds |
|--|----------------------|
| 18 Seconds 6 Seconds 18 Seconds 18 Seconds 6 Seconds Peak 0.0262 0.0088 Peak 0.0262 0.00 | <u>conds</u> 1088 |
| Peak 0.0262 0.0088 Peak 0.0262 0.00 | 880 |
| | |
| | 062 |
| Off-Peak 0.0183 0.0062 Off-Peak 0.0183 0.00 | |
| On-Net to Off-Net | |
| (IntraLATA) (InterLATA) | |
| Initial Additional Initial Additi | tional |
| 18 Seconds 6 Seconds 18 Seconds 6 Seconds | conds |
| Peak 0.0495 0.0165 Peak 0.0495 0.01 | 165 |
| Off-Peak 0.0369 0.0123 Off-Peak 0.0369 0.01 | 123 |
| Off-Net to On-Net | |
| FONCARD (IntraLATA) (InterLATA) | |
| Initial Additional Initial Additi | itional |
| 18 Seconds 6 Seconds 18 Seconds 6 Seconds | conds |
| Peak 0.0495 0.0165 Peak 0.0495 0.01 |)165 |
| Off-Peak 0.0369 0.0123 Off-Peak 0.0369 0.01 |)123 |
| Calls originated via normal switched access will be charged the following usage rates: | |
| (InterLATA) | |
| | itional |
| | conds |
| | 0165 |
| | 0123 |

| Off-Net to Off-N | let | | E | | | |
|----------------------------|-------------------|-----------------|-----------------|------------------|-----------------|-------------------|
| FONCARD | (IntraLATA) | | | (InterLATA) | | |
| | | Initial | Additional | | Initial | Additional |
| | | 18 Seconds | 6 Seconds | • | 18 Seconds | <u> 6 Seconds</u> |
| | Peak | 0.0825 | 0.0275 | Peak | 0.0825 | 0.0275 |
| | Off-Peak | 0.0662 | 0.0220 | Off-Peak | 0.0662 | 0.0220 |
| Calls originated vi | a normal switche | ed access | , in the second | | | |
| will be charged th | e following usage | e rates: | | | | |
| | (intraLATA) | | | (InterLATA) | | |
| | | Initial | Additional | | Initia l | Additional |
| | | 18 Seconds | 6 Seconds | | 18 Seconds | 6 Seconds |
| | Peak | 0.0825 | 0.0275 | Peak | 0.0825 | 0.0275 |
| | Off-Peak | 0.0662 | 0.0220 | Off-Peak | 0.0662 | 0.0220 |
| 800 Premiere sM | | | | | | |
| 800 Premiere (S | Switched) | | | 800 Premiere (I | Dedicated) | |
| | | Initial | Additional | | Initial | Additional |
| | | 18 Seconds | 6 Seconds | | 18 Seconds | 6 Seconds |
| | Peak | 0.0887 | 0.0295 | Peak | 0.0426 | 0.0142 |
| | Off-Peak | 0.0711 | 0.0237 | Off-Peak | 0.0339 | 0.0113 |
| SDS Premieres | A | | | | | |
| On-Net to On-N | let | | • | On-Net to Off-N | Vet | |
| | | Initia i | Additional | | Initial | Additional |
| | | 18 Seconds | 6 Seconds | | 18 Seconds | 6 Seconds |
| | Peak | 0.0184 | 0.0061 | Peak | 0.0459 | 0.0152 |
| | Off-Peak | 0.0129 | 0.0042 | Off-Peak | 0.0404 | 0.0134 |
| Off-Net to On-N | let | | | Off-Net to Off-N | Net | |
| | | Initial | Additional | | Initial | Additional |
| | | 18 Seconds | 6 Seconds | | 18 Seconds | 6 Seconds |
| | Peak | 0.0459 | 0.0152 | Peak | 0.0734 | 0.0244 |
| | Off-Peak | 0.0404 | 0.0134 | Off-Peak | 0.0679 | 0.0224 |

EXCEL

John Q. Sample ABC INC. 123 Main St. City, ST 12345-6789

August 28, 2002

Acct. # GPG9MC

Dear John Q. Sample:

Thank you for being a loyal Excel Telecommunications customer. We appreciate your business and hope to be your carrier of choice for many years to come.

At Excel, we believe in keeping you informed of changes to your account. We are enclosing your updated Terms and Conditions of service, which includes *Important information About Customer Proprietary Network Information (CPNI) Consent.* Please read this enclosure and retain this document for your future reference. The updated document will serve as the basis of the agreement between Excel and you, and will replace any previous terms and conditions you have received.

In addition, some of the rates that apply to your Excel long distance product may have changed. Any change to your account will take effect October 1, 2002. To find out if there is a change to any of your rates, you may log onto our web site at www.excel.com/ratechanges/re7 or call us at 1-800-251-6166 to verify any changes to your rates.

Did you know that Excel also has many other great products to make it easier to stay in touch?

- Excel WirelessSM-digital nationwide coverage with competitive plans that include in-network roaming and long distance.
- MyExcel Internet AccessSM for dial up service at a great monthly rate!
- ExcelPagingSM the latest in two-way paging as well as numeric paging service.

Contact your Independent Representative to learn more about these products or visit www.excel.com.

Again, thank you for choosing Excel as your long distance carrier. We look forward to meeting your needs and strengthening our relationship with you.

Sincerely,

Excel Telecommunications