

**Description of Proposed Changes to Rates in the 2005 Annual Rate Filing**

SBC Illinois is proposing the following changes to its prices based on a submitted Price Cap Index PCI of 92.54. The changes are presented by service basket.

- **Residence Basket**

Rate decreases are proposed for the following services:

<u>Service Description</u>	<u>Current Price</u>	<u>Proposed Price</u>
Usage MSA 1-16 Band A peak, initial minute	\$0.045	\$0.03
Usage MSA 1-16 Band B peak, initial minute	\$0.045	\$0.03
Message Rate, Peak	\$0.045	\$0.03

The total proposed Residence Basket reduction is **\$5.2 million**.

- **Packages Basket**

Rate decreases are proposed for the following services:

<u>Service Description</u>	<u>Current Price</u>	<u>Proposed Price</u>
Economy Local Solution Package	\$23.62	\$23.13
Sensible Local Solution Package	\$29.81	\$29.32
Complete Solution II Package	\$45.58	\$45.09
2-Line Complete Local Solution Pkg, Area A	\$47.84	\$47.35
2-Line Complete Local Solution Pkg, Area B and C	\$50.84	\$50.35
Complete Local Solution Package	\$36.04	\$35.55
Economy Solution Package, Area A	\$19.92	\$19.35
Economy Solution Package, Area B	\$22.92	\$22.35
Economy Solution Package, Area C	\$22.92	\$22.35
Economy Solution Plus Package, Area A	\$20.93	\$20.36
Economy Solution Plus Package, Area B	\$23.93	\$23.36
Economy Solution Plus Package, Area C	\$23.93	\$23.36
Sensible Solution Package, Area A	\$24.42	\$24.37
Sensible Solution Package, Area B	\$27.42	\$27.37
Sensible Solution Package, Area C	\$27.42	\$27.37
Sensible Solution Plus Package, Area A	\$25.32	\$25.27
Sensible Solution Plus Package, Area B	\$28.32	\$28.27
Sensible Solution Plus Package, Area C	\$28.32	\$28.27

The total proposed Packages Basket reduction is **\$5.1 million**.

- **Other Basket**

Decreases are proposed for the following services:

<u>Service Description</u>	<u>Current Price</u>	<u>Proposed Price</u>
Caller ID	\$4.95	\$4.84
Caller ID with Name	\$0.85	\$0.82
Call Waiting	\$2.10	\$2.00
Talking Call Waiting w/ WORKS OR BASICS or Economy Sol.	\$1.30	\$1.10
The WORKS	\$16.55	\$15.99
The BASICS	\$12.10	\$12.00

The total proposed Other Basket reduction is **\$2.9 million**.

- **Carrier Basket**

The total proposed reduction in the Carrier Basket is **\$1.9 million**.

The following are Resale price changes:

<b>Service Description</b>	<b>Current Price</b>	<b>Proposed Price</b>
Call Waiting - Res	\$0.55	\$0.52
Caller ID - Res	\$1.80	\$1.76
Caller ID with Name - Res	\$0.58	\$0.38
The WORKS® Package	\$4.98	\$4.81
The BASICS Package- Res	\$4.10	\$4.07
Talking Call Wtng - Res with The WORKS or the BASICS or Economy Local Sol Pkg.	\$0.90	\$0.76
Complete Solution II Pkg.	\$33.10	\$32.74
2-Line Complete Local Solution Pkg., Area A	\$32.83	\$32.49
2-Line Complete Local Solution Pkg., Area B&C	\$33.22	\$32.90
Economy Local Solution Package, mo.	\$16.79	\$16.44
Economy Solution Package, Area A, mo.	\$13.54	\$13.15
Economy Solution Package, Area B, mo.	\$16.33	\$15.92
Economy Solution Package, Area C, mo.	\$16.33	\$15.92
Economy Solution Plus Package, Area A, mo.	\$14.12	\$13.74
Economy Solution Plus Package, Area B, mo.	\$16.90	\$16.50
Economy Solution Plus Package, Area C, mo.	\$16.90	\$16.50
Sensible Solution Package, Area A, mo.	\$14.85	\$14.82
Sensible Solution Package, Area B, mo.	\$17.64	\$17.61
Sensible Solution Package, Area C, mo.	\$17.64	\$17.61
Sensible Solution Plus Package, Area A	\$15.36	\$15.33
Sensible Solution Plus Package, Area B	\$18.15	\$18.12
Sensible Solution Plus Package, Area C	\$18.15	\$18.12
Message Rate, each message unit	\$0.0376	\$0.02660
Usage MSA 1 Band A - Peak	\$0.03970	\$0.02660
Usage MSA 1 Band B - Peak	\$0.03970	\$0.02660
Usage MSA 2-15 Band A - Peak	\$0.03970	\$0.02660
Usage MSA 2-15 Band B - Peak	\$0.03970	\$0.02660
Complete Local Solution Pkg., Area A, B, C	\$24.63	\$24.30
Sensible Local Solution Pkg.	\$18.93	\$18.62

The following are proposed reductions for Cellular service:

<b>Service Description</b>	<b>Current Price</b>	<b>Proposed Price</b>
2A Common Trunk 0 Miles	\$0.005318	\$0.001192
2A Common Trunk Over 0 to 8 Miles	\$0.005318	\$0.001687
2A Common Trunk Over 8 to 15 Miles	\$0.00640	\$0.002616
2A Common Trunk Over 15 to 20 Miles	\$0.00685	\$0.003358
2A Common Trunk Over 20 to 25 Miles	\$0.00735	\$0.003977
2A Common Trunk Over 25 to 30 Miles	\$0.00745	\$0.004596
2A Common Trunk Over 30 to 40 Miles	\$0.00775	\$0.005525
2A Common Trunk Over 40 to 55 Miles	\$0.01218	\$0.007072

2A Common Trunk Over 55 to 70 Miles	\$0.01379	\$0.008929
2A Common Trunk Over 70 Miles	\$0.01533	\$0.011095

The following are proposed price changes for Switched Access service:

<b>Service Description</b>	<b>Current Price</b>	<b>Proposed Price</b>
Unbundled premium LS2 per minute Access Area A	\$0.003293	\$0.003227
Unbundled premium LS2 per minute Access Area B	\$0.003293	\$0.003227
Unbundled premium LS2 per minute Access Area C	\$0.003293	\$0.003227
Bundled premium LS2 per minute Access Area A	\$0.003293	\$0.003227
Bundled premium LS2 per minute Access Area B	\$0.003293	\$0.003227
Bundled premium LS2 per minute Access Area C	\$0.003293	\$0.003227
End Office Dedicated Trunk Ports	\$51.96	\$49.36
End Office common trunk port per minute	\$0.000235	\$0.000223
Host Remote Transport Facility per min-mile Zone 1	\$0.000040	\$0.000039
Host Remote Transport Facility per min-mile Zone 2	\$0.000040	\$0.000039
Host Remote Transport Facility per min-mile Zone 3	\$0.000040	\$0.000039
Host Remote Transport Facility per min-mile Zone 4	\$0.000040	\$0.000039
Host Remote Transport Facility per min-mile Zone 5	\$0.000040	\$0.000039
Tandem switching per minute - Zone 1	\$0.001033	\$0.001019
Tandem switching per minute - Zone 2	\$0.001033	\$0.001019
Tandem switching per minute - Zone 3	\$0.001033	\$0.001019
Tandem switching per minute - Zone 4	\$0.001033	\$0.001019
Tandem switching per minute - Zone 5	\$0.001033	\$0.001019
Tandem Dedicated Trunk Port, per LT1 - Zone 1	\$112.24	\$110.00
Tandem Dedicated Trunk Port, per LT1 - Zone 2	\$112.24	\$110.00
Tandem Dedicated Trunk Port, per LT1 - Zone 3	\$112.24	\$110.00
Tandem Dedicated Trunk Port, per LT1 - Zone 4	\$112.24	\$110.00
Tandem Dedicated Trunk Port, per LT1 - Zone 5	\$112.24	\$110.00
Switched Transport LT-1 to VG multiplexing-Mo - Zone 1	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-Mo - Zone 2	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-Mo - Zone 3	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-Mo - Zone 4	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-Mo - Zone 5	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-1 year -Zone 1	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-1 year -Zone 2	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-1 year -Zone 3	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-1 year -Zone 4	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-1 year -Zone 5	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-3 year - Zone 1	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-3 year - Zone 2	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-3 year - Zone 3	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-3 year - Zone 4	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-3 year - Zone 5	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-5 year - Zone 1	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-5 year - Zone 2	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-5 year - Zone 3	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-5 year - Zone 4	\$320.15	\$304.14
Switched Transport LT-1 to VG multiplexing-5 year - Zone 5	\$320.15	\$304.14
Switched Transport LT-3 to LT-1 multiplexing-mo - Zone 1	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-mo - Zone 2	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-mo - Zone 3	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-mo - Zone 4	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-mo - Zone 5	\$392.30	\$372.69

Service Description	Current Price	Proposed Price
Switched Transport LT-3 to LT-1 multiplexing-1 year - Zone 1	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-1 year - Zone 2	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-1 year - Zone 3	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-1 year - Zone 4	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-1 year - Zone 5	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-3 year - Zone 1	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-3 year - Zone 2	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-3 year - Zone 3	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-3 year - Zone 4	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-3 year - Zone 5	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-5 year - Zone 1	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-5 year - Zone 2	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-5 year - Zone 3	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-5 year - Zone 4	\$392.30	\$372.69
Switched Transport LT-3 to LT-1 multiplexing-5 year - Zone 5	\$392.30	\$372.69
2-wire VG entrance facility per LDC	\$10.71	\$10.15
Entrance Facilities LT-1 Zone 1 per termination-Mo	\$33.65	\$32.14
Entrance Facilities LT-1 Zone 2 per termination-Mo	\$57.87	\$54.98
Entrance Facilities LT-1 Zone 3 per termination-Mo	\$72.88	\$69.24
Entrance Facilities LT-1 Zone 4 per termination-Mo	\$82.25	\$78.14
Entrance Facilities LT-1 Zone 1 per termination-1 year	\$33.65	\$32.14
Entrance Facilities LT-1 Zone 2 per termination-1 year	\$57.87	\$54.98
Entrance Facilities LT-1 Zone 3 per termination-1 year	\$72.88	\$69.24
Entrance Facilities LT-1 Zone 4 per termination-1 year	\$82.25	\$78.14
Entrance Facilities LT-1 Zone 1 per termination-3 year	\$33.65	\$32.14
Entrance Facilities LT-1 Zone 2 per termination-3 year	\$57.87	\$54.98
Entrance Facilities LT-1 Zone 3 per termination-3 year	\$72.88	\$69.24
Entrance Facilities LT-1 Zone 4 per termination-3 year	\$82.25	\$78.14
Entrance Facilities LT-1 Zone 1 per termination-5 year	\$33.65	\$32.14
Entrance Facilities LT-1 Zone 2 per termination-5 year	\$57.87	\$54.98
Entrance Facilities LT-1 Zone 3 per termination-5 year	\$72.88	\$69.24
Entrance Facilities LT-1 Zone 4 per termination-5 year	\$82.25	\$78.14
LT-3 ELEC EF Mo. Ext. Zone 1	\$227.73	\$216.34
LT-3 ELEC EF Mo. Ext. Zone 2	\$232.32	\$220.70
LT-3 ELEC EF Mo. Ext. Zone 3	\$232.90	\$221.26
LT-3 ELEC EF Mo. Ext. Zone 4	\$233.24	\$221.58
LT-3 ELEC EF Mo. Ext. Zone 5	\$233.28	\$221.62
LT-3 ELEC EF 12 Mo Zone 1	\$227.73	\$216.34
LT-3 ELEC EF 12 Mo Zone 2	\$232.32	\$220.70
LT-3 ELEC EF 12 Mo Zone 3	\$232.90	\$221.26
LT-3 ELEC EF 12 Mo Zone 4	\$233.24	\$221.58
LT-3 ELEC EF 12 Mo Zone 5	\$233.28	\$221.62
LT-3 ELEC EF 36 Mo Zone 1	\$227.73	\$216.34
LT-3 ELEC EF 36 Mo Zone 2	\$232.32	\$220.70
LT-3 ELEC EF 36 Mo Zone 3	\$232.90	\$221.26
LT-3 ELEC EF 36 Mo Zone 4	\$233.24	\$221.58
LT-3 ELEC EF 36 Mo Zone 5	\$233.28	\$221.62
LT-3 ELEC EF 60 Mo Zone 1	\$227.73	\$216.34
LT-3 ELEC EF 60 M Zone 2	\$232.32	\$220.70
LT-3 ELEC EF 60 Mo Zone 3	\$232.90	\$221.26
LT-3 ELEC EF 60 Mo Zone 4	\$233.24	\$221.58
LT-3 ELEC EF 60 Mo Zone 5	\$233.28	\$221.62
Direct VG channel mileage termination per point	\$10.00	\$9.00
Direct LT-1 channel mileage termination-Mo - Zone 1	\$16.44	\$15.60



Service Description	Current Price	Proposed Price
Direct LT-1 channel mileage per mile-3 year - Zone 5	\$4.74	\$4.50
Direct LT-1 channel mileage per mile-5 year - Zone 1	\$4.74	\$4.50
Direct LT-1 channel mileage per mile-5 year - Zone 2	\$4.74	\$4.50
Direct LT-1 channel mileage per mile-5 year - Zone 3	\$4.74	\$4.50
Direct LT-1 channel mileage per mile-5 year - Zone 4	\$4.74	\$4.50
Direct LT-1 channel mileage per mile-5 year - Zone 5	\$4.74	\$4.50
Direct LT-3 channel mileage per mile-Mo - Zone 1	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-Mo - Zone 2	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-Mo - Zone 3	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-Mo - Zone 4	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-Mo - Zone 5	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-1 year - Zone 1	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-1 year - Zone 2	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-1 year - Zone 3	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-1 year - Zone 4	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-1 year - Zone 5	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-3 year - Zone 1	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-3 year - Zone 2	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-3 year - Zone 3	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-3 year - Zone 4	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-3 year - Zone 5	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-5 year - Zone 1	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-5 year - Zone 2	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-5 year - Zone 3	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-5 year - Zone 4	\$21.48	\$20.02
Direct LT-3 channel mileage per mile-5 year - Zone 5	\$21.48	\$20.02

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The total proposed reduction for all baskets is **\$15.1 million**.