

Description of Proposed Changes to Rates in the 2007 Annual Rate Filing

AT&T Illinois is proposing the following changes to its prices based on a submitted Price Cap Index (PCI) of 89.7750. 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 2-16 Band A off-peak, per call	\$0.0278	\$0.0249
Usage MSA 2-16 Band A peak, per call	\$0.0278	\$0.0249
Usage MSA 2-16 Band A shoulder, per call	\$0.0278	\$0.0249
Usage MSA 2-16 Band B off-peak, per call	\$0.0278	\$0.0249
Usage MSA 2-16 Band B peak, per call	\$0.0278	\$0.0249
Usage MSA 2-16 Band B shoulder, per call	\$0.0278	\$0.0249

The total proposed Residence Basket reduction is **\$422,304**.

- **Packages Basket**

Rate decreases are proposed for the following services:

<u>Service Description</u>	<u>Current Price</u>	<u>Proposed Price</u>
Economy Solution Package, MSA 2-16 Area C	\$21.89	\$21.32
Economy Solution Plus Package, MSA 2-16 Area C	\$23.36	\$22.79
uSelect3 Package, MSA 2-16 primary line, Area C	\$23.05	\$22.65

The total proposed Packages Basket reduction is **\$1,076,711**.

- **Other Basket**

Decreases are proposed for the following services:

<u>Service Description</u>	<u>Current Price</u>	<u>Proposed Price</u>
Caller ID, MSA 2-16	\$4.78	\$4.41
Caller ID with Name, MSA 2-16	\$0.76	\$0.71
The WORKS Package, MSA 2-16	\$15.95	\$15.50
Value Plus Package, MSA 2-16	\$14.45	\$14.30

The total proposed Other Basket reduction is **\$544,912**.

- **Carrier Basket**

The total proposed reduction in the Carrier Basket is **\$1,393,285**.

The following are Resale price changes:

Service Description	Current Price	Proposed Price
Caller ID – Res	\$1.74	\$1.17
Caller ID with Name – Res	\$0.35	\$0.32
The WORKS® Package – Res	\$4.80	\$3.22
Value Plus Package – Res	\$5.08	\$4.66
Economy Solution Package, Area C, mo.	\$15.59	\$14.06
Economy Solution Plus Package, Area C, mo.	\$16.50	\$14.03
uSelect3, Area C (main/primary line)	\$14.59	\$14.24
Usage MSA 2-16 Band A – Peak	\$0.02490	\$0.02100
Usage MSA 2-16 Band A – Shoulder	\$0.02490	\$0.02130
Usage MSA 2-16 Band A – Off Peak	\$0.02490	\$0.02090
Usage MSA 2-16 Band B – Peak	\$0.02490	\$0.02120
Usage MSA 2-16 Band B – Shoulder	\$0.02490	\$0.02150
Usage MSA 2-16 Band B – Off Peak	\$0.02329	\$0.02150

The following are proposed reductions for Cellular service:

Service Description	Current Price	Proposed Price
2A shared use access per mile, mo	\$1.80	\$1.68
2A shared use FGD IC access per mile, mo	\$1.80	\$1.68
2A DS1 shared use access per mile, mo	\$44.70	\$43.26
2A DS1 shared use FGD IC access per mile, mo	\$44.70	\$43.26
2A voice grade std access per mile, mo	\$1.80	\$1.68
2A voice grade FGD IC access per mile, mo	\$1.80	\$1.68
2A DS1 std access per mile, mo	\$45.92	\$43.26
2A DS1 FGD IC access per mile, mo	\$45.92	\$43.26
2A DS1 std access CMT, mo	\$151.00	\$147.25
2A DS1 FGD IC access CMT, mo	\$153.75	\$147.25
2B shared use access, mo	\$1.80	\$1.68
2B voice grade std access per mile, mo	\$1.80	\$1.68
2B DS1 std access per mile, mo	\$45.92	\$43.26
2B DS1 shared use access, mo	\$44.70	\$43.26
2B DS1 std access CMT, mo	\$151.00	\$147.25

The following are proposed price changes for Switched Access service:

Service Description	Current Price	Proposed Price
SS-7 IAM Signal Formulation	\$0.000582	\$0.000518
SS-7 IAM Signal Tandem IAM	\$0.000409	\$0.000358

The total proposed reduction for all baskets is **\$3,437,212**.