

From: MURPHY, FRANCIS J (SBCSI)
Sent: Monday, January 28, 2002 12:42 PM
To: KERBER, MARK A (Legal); MCFADDEN, RUSS (SBCSI); WARDIN, KENT W (SBC-OPS); WILLIAMS, MARGARET E (OHB); MACKEY, MARYANN H (OHB); ZURO, DAVID A (AIT); FENLON, MARYKAY R (Legal); SLIWA, JOAN M (SBC-OPS); PERDIOU, DENO (ILB); TERWILLIGER, CYNTHIA M (SBCSI)
Cc: HARRISON, SHARON J (SBCSI); KLEKER, JIM (SBCSI)
Subject: RE: Ohio and Michigan Dale Stamp

Ken,

Thanks for your note. I agree with you that we need to look at the big picture and what SBC is trying to do within the AIT region. If this is detrimental to our corporate plans going forward, I have no problem retreating. However, I think it is important to have the discussion.

Just to clarify your statement on the \$125 thousand - you didn't take into account additional costs for DR or operational issues associated with this. Our concern leans more on the operational variance issues than financial. We have an option to incorporate the date within the statement and make it much more conducive from a production perspective without sacrificing the information to the customer or the PUC.

Fran Murphy
Senior Manager BST
(916) 376-2155 VM
(877) 318-0549 PG

Mark

-----Original Message-----

From: MCFADDEN, RUSS (SBCSI)
Sent: Monday, January 28, 2002 7:50 AM
To: WARDIN, KENT W (AIT); MURPHY, FRANCIS J (SBCSI); WILLIAMS, MARGARET E (AIT); MACKEY, MARYANN H (AIT); ZURO, DAVID A (AIT); FENLON, MARYKAY R (Legal); SLIWA, JOAN M (AIT); PERDIOU, DENO (AIT); KERBER, MARK A (Legal); TERWILLIGER, CYNTHIA M (SBCSI)
Cc: HARRISON, SHARON J (SBCSI); KLEKER, JIM (SBCSI)
Subject: RE: Ohio and Michigan Dale Stamp

Sorry for my confusion on this Ken but that is why at the end of the call, I asked if anyone had a concern so that we could collectively discuss. My sense on the call was that this was a fairly minor effort to produce the waiver and cover with the commission. If it generates value for SBC - that is why they said they could produce the waiver by the next call. If it is fairly straightforward, not sure why we want to add to the process/cost?

Russ

-----Original Message-----

From: WARDIN, KENT W (AIT)
Sent: Monday, January 28, 2002 6:56 AM
To: MURPHY, FRANCIS J (SBCSI); WILLIAMS, MARGARET E (AIT); MACKEY, MARYANN H (AIT); ZURO, DAVID A (AIT); FENLON, MARYKAY R (Legal); SLIWA, JOAN M (AIT); MCFADDEN, RUSS (SBCSI); PERDIOU, DENO (AIT); KERBER, MARK A (Legal); TERWILLIGER, CYNTHIA M (SBCSI)

Cc: HARRISON, SHARON J (SBCSI); KLEKER, JIM (SBCSI)
Subject: RE: Ohio and Michigan Date Stamp

Fran,

~~We left out a few items about the discussion. We failed to ask if regulatory has the spare capacity to work on this waiver and where would it be on the priority list.~~

SBC under the Ameritech brand has several initiatives for 2002. I would assume it would be close to the bottom of the current list of activities. I believe it is not in SBC best interest to pursue this above any initiative greater than \$125,000. I am not familiar with the waiver process - but I assume it is time to create the response and present it to a staffer. The other question is how many waivers can be sought in a year without irritating the Staff?

Deno and Margaret can you direct me to who has the Regulatory list of items being pursued in 2002. I assume due to the personnel cuts in Regulatory over the last two years we do not have spare capacity. If this was to be pursued when would a body be available to review and present?

I think we need to look at the big picture of what SBC is trying to move forward in the AIT region and see if this is a distraction for the work that is being asked to be completed. The date stamp only increments the per unit cost by \$0.00026 - We understand the need for standardization - I hope you also understand the other regulatory work being pursued may be of greater importance to SBC and this item may not be pursued until other priorities are worked. Dino and Margaret you will let us know if there is staff time (SBC) available for this based on the dollar impact vs. other project being worked.

Thanks for your consideration,

Kent

-----Original Message-----

From: MURPHY, FRANCIS J (SBCSI)
Sent: Friday, January 25, 2002 5:02 PM
To: WILLIAMS, MARGARET E (AIT); WARDIN, KENT W (AIT); MURPHY, FRANCIS J (SBCSI); MACKEY, MARYANN H (AIT); ZURO, DAVID A (AIT); FENLON, MARYKAY R (Legal); SLIWA, JOAN M (AIT); MCFADDEN, RUSS (SBCSI); PERDIOU, DENO (AIT); KERBER, MARK A (Legal); TERWILLIGER, CYNTHIA M (SBCSI)
Cc: HARRISON, SHARON J (SBCSI); KLEKER, JIM (SBCSI)
Subject: FW: Ohio and Michigan Date Stamp

All,

Per our discussion this morning, we agreed to meet to address the method of identifying the Sent Date on the Illinois and Ohio billing statement as mandated by the commission in the MTSS rules in two weeks. I have included Jon Kelly's summary of the Ohio Minimum Telephone standards. Although our discussion this morning focused on Ohio, a similar rule is in place in Illinois and I have included Deno Perdiou and Mark Kerber in this note.

For Deno and Mark's benefit, BST is responsible for sending 40 million bills and products throughout the SBC region. Because of the high volume, BST sends the statements using a permit imprint in order to achieve large postal discounts. A permit imprint uses printed indicia instead of an adhesive postage stamp or meter stamp. In order to meet the "postmark" requirement in Ohio and Illinois, BST uses an inkjet to spray the date the mail is sent to the post office for delivery on the outside of the mailing envelope. The method is unique to Ohio and Illinois and is based on language that is in the current ... MTSS.

As we all strive to keep our cost under tight control, BST would like to reduce the material and operational costs that are associated with this requirement. In our discussions today, BST would like to change the language of the MTSS so that it is similar to other states (i.e. Michigan) which would allow us to forgo the postmark requirement. Given the challenges it would take to eliminate the requirement by Regulatory, the other option is to insert the date above the address on the statement. BST will provide a mock document of the possible change and a decision will be discussed to determine if an exception or waiver provision will be sought by the company.