

Serving Colorado's Utility Consumers

## LONG-DISTANCE RATES: COMPARE AND SAVE HERE ARE THE BEST AND WORST DEALS

The OCC's latest long-distance rate comparison shows the "Leading Edge" plan from TouchTone Communications to be the best all-around deal at 2.9 cents per minute for state-to-state, 6.5 cents per minute for in-state calls, and no monthly fee or minimum. If all of your calls are state-to-state, this is the best plan. ECG Long Distance is another good choice for callers making primarily state-to-state calls. They have a 3.5-cent plan with no monthly fee or minimum. If you don't mind dialing extra digits and the membership fee is not a problem, prepaid phone cards from Costco ([www.costco.com](http://www.costco.com)) and Sam's Club ([www.samsclub.com](http://www.samsclub.com)) are great deals. Prepaid MCI phone cards at Costco are \$19.99 for 700 minutes. That's only 2.9 cents per minute for all domestic long distance calls. Sam's Club offers AT&T prepaid cards at 3.47 cents per minute. These prepaid cards do not have hidden fees nor expiration dates. There is, however, a surcharge for payphone calls.

Wireless calling plans offering a bucket of minutes for local or long-distance calling are also a good option, as long as your long-distance calls are within the minutes included in your plan. Other ways to save include electronic billing, payment by credit card, signing up over the internet and bundling local and long-distance service.

Just as there are ways to save, **there are ways to pay too much for long-distance calls.** If your long-distance company is AT&T, MCI or Sprint, you are likely paying too much because these three companies have fees and surcharges that make their calling plans confusing and unattractive. These fees are shown on our rate comparison chart and include a Bill Statement Fee, Gross Receipts Tax, Property Tax Surcharge and Carrier Cost Recovery charges. AT&T charges a "Carrier Cost Recovery Fee" of \$1.49 per month to recover costs associated with providing state-to-state and international long distance service, including expenses for national regulatory fees and programs, connection and account servicing charges and expenses for regulatory compliance. These fees and surcharges add up to higher long-distance bills for consumers.

If your long-distance company is AT&T, MCI or Sprint **and** you subscribe to their "**basic rates**," you are paying

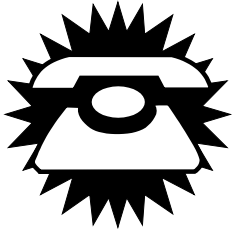
very high rates. These basic rates (often called "Basic Dial-1" or "Direct Dialed" plans) are the highest offered by the three largest long-distance companies and are often their default rates. For example, if AT&T has been your long-distance company for many years, or you are a new subscriber but did not request a discount plan, you may be paying these high basic rates. How high are they? AT&T's state-to-state basic rates are 39 cents per minute during peak hours (7am-7pm), 33.5 cents non-peak (7pm-7am) and 23.5 cents on weekends. MCI's basic rates are about the same at 35 cents Monday through Friday and 10 cents on weekends with a \$5.95 monthly fee. Sprint's basic rate plan offers rates from 27 to 44 cents per minute during the week and 17 to 24 cents on weekends.

If you are paying basic rates, call your long-distance provider and ask to be switched to a discount or bargain rate plan, or use our rate comparison to switch to another company.

### Colorado No-Call List/ National No-Call List

The Colorado No-Call List has been very effective in stopping most unwanted telemarketing calls. Political calls and charitable solicitations are still permitted. You can add your wireless or home phone number to the Colorado No-Call List online at [www.coloradonocall.com](http://www.coloradonocall.com) or by calling toll-free to 1-888-249-9097. Unsolicited text messages as well as telemarketing calls to wireless numbers on the No-Call List are prohibited.

The Federal Trade Commission has also implemented a national No-Call List. Phone numbers are already on the Colorado No-Call List, and new numbers added to the Colorado No-Call List are automatically added to the national list on a quarterly basis. The web page for the National No-Call List is [www.donotcall.gov](http://www.donotcall.gov).



Office of Consumer Counsel

# Residential Long-Distance Rate Comparison

June 2006

PER MINUTE RATES, FEES, AND BILLING INCREMENTS *			
CARRIER INFORMATION	ANYTIME RATE PLANS	CALLING CARDS	OTHER MONTHLY FEES AND SURCHARGES
<b>AmeriCom</b> (800) 820-6296 www.americom.com	<b>Simplicity Dial 1</b> State-to-State 3.9 ¢ In-State 12.4 ¢ <b>No Monthly Fee or Minimum</b> 18:06	9.7 ¢ 18:06 Payphone surcharge up to 65 ¢	
<b>AT&amp;T</b> (800) 222-0300 www.att.com	<b>One Rate 5¢ Plan</b> State-to-State 5.0 ¢ In-State 5.0 ¢ <b>\$6.95 Monthly Fee</b> <b>No Monthly Minimum</b> 60:60  <b>One Rate 5¢ Plan</b> State-to-State 5.0 ¢ In-State (InterLATA) 14.0 ¢ In-State (IntraLATA) 10.0 ¢ <b>Minimum</b> <b>\$3.95 Monthly Minimum</b> 60:60	<b>One Rate Calling Card Plan</b> 30.0 ¢ \$1 monthly fee 60:60 Payphone surcharge up to 56 ¢	\$1.13 In-State Connection Fee, \$2.99 Bill Statement Fee, \$1.49 Carrier Cost Recovery Fee
<b>C-COM</b> (800) 301-0788 www.c-comld.com	<b>5.5 ¢ Plan</b> State-to-State 5.5 ¢ In-State 7.9 ¢ <b>No Monthly Fee or Minimum</b> 18:06  <b>With Local Service</b> State-to-State 4.0 ¢ 4.0 ¢ <b>No Monthly Fee or Minimum</b> 18:06	4.5 ¢ (pre-paid) 8.9 ¢ (post-paid) 18:06 Payphone surcharge up to 55 ¢	\$1.50 Paper Bill Fee
<b>ECG Long Distance</b> (800) 293-7658 www.ecglongdistance.net	<b>3.5¢ Plan (Residential Plan)</b> State-to-State 3.5 ¢ 13.3 ¢ <b>No Monthly Fee or Minimum</b> 60:60	12.9 ¢ 99 ¢ Set Up Fee 30:06 Payphone surcharge up to 53 ¢	59 ¢ Regulatory Recovery Fee
<b>Everdial</b> (800) 293-7658 www.everdial.net	<b>Everdial 1</b> State-to-State 4.9 ¢ In-State 7.9 ¢ <b>No Monthly Fee or Minimum</b> 06:06	9.9 ¢ 06:06 Payphone surcharge up to 60 ¢	
<b>MCI</b> (800) 444-3333 www.mci.com	<b>MCI Net Value</b> State-to-State 4.0 ¢ Inter-LATA 14.0 ¢ Intra-LATA 10.0 ¢ <b>\$6.99 Monthly Fee</b> <b>No Monthly Minimum</b> 60:60	15.0 ¢ \$2.00 monthly fee 60:60 Payphone surcharge up to 55 ¢	\$1.25 Carrier Cost Recovery Charge, 2.3% Property Tax Surcharge, \$3.99 Local Telephone Billing Option Fee or 99 ¢ Direct Invoice from MCI

\* The Billing Increment is the time customers are billed for fractions of a minute during a call. See **Helpful Hints** for additional information.

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Rates and calling plans are subject to change. Contact companies for current rates and additional calling plans. **Please note:** Some companies have additional plans with cheaper rates if you sign up for service through the internet, pay your monthly bills by credit card, or both.

**PER MINUTE RATES, FEES, AND BILLING INCREMENTS \***

CARRIER INFORMATION	ANYTIME RATE PLANS	CALLING CARDS	OTHER MONTHLY FEES AND SURCHARGES
<b>Opex Communications</b> (888) 577-7266 www.opexagent.com	<b>3.90¢ Residential Plan</b> State-to-State 3.9 ¢ In-State 11.0 ¢ <b>\$2.00 Monthly Fee or \$20 Monthly Minimum</b> 60:60	14.9 ¢ 99 ¢ Set Up Fee 60:60 Payphone surcharge up to 65 ¢	\$1.99 Paper Bill Fee
<b>Pioneer Telephone</b> (888) I WANT PT (888) 492-6878 www.pioneertelephone.net	<b>Pioneer Rate Buster</b> State-to-State 3.3 ¢ In-State 6.7 ¢ <b>\$0.99 Low Usage Fee or \$15 Monthly Minimum</b> 60:60  <b>Pioneer Talk Cents</b> State-to-State 3.90 ¢ In-State 7.9 ¢ <b>\$0.99 Low Usage Fee or \$15 Monthly Minimum</b>	11.9 ¢ 60:60 Payphone surcharge up to 55 ¢  <b>Pioneer Talk Cents (cont.)</b> 06:06 (State-to-State) 30:06 (In-State)	
<b>PowerNet Global</b> (800) 382-9622 www.pnsgales.com	<b>539 Plan</b> State-to-State 3.9 ¢ In-State 11.9 ¢ <b>No Monthly Fee or Minimum</b> 6:06  <b>545 Plan</b> State-to-State 4.5 ¢ In-State 11.9 ¢ <b>No Monthly Fee or Minimum</b> 30:06	9.9 ¢ 30:06 Payphone surcharge up to 65 ¢	
<b>Qwest Long Distance</b> (800) 475-7526 www.qwest.com	<b>5 ¢ Plan</b> State-to-State 5.0 ¢ In-State 5.0 ¢ <b>\$4.99 Monthly Fee</b> <b>No Monthly Minimum</b> 60:60	69.0 ¢ 60:60 Per call surcharge \$1.25 Payphone surcharge up to 55 ¢	99 ¢ Interstate Services Fee
<b>Sprint</b> (800) PIN-DROP (800) 746-3767 www.sprint.com	<b>7¢ AnyTime</b> State-to-State 7.0 ¢ In-State 12.0 ¢  <b>\$6.95 Monthly Fee</b> <b>No Monthly Minimum</b> 60:60	Sprint Foncard 15.0 ¢ \$2.00 Monthly Charge 60:60 Payphone surcharge up to 55 ¢	\$0.99 Carrier Cost Recovery Charge, \$1.99 In-State Access Charge, 0.47% Gross Receipts Tax Surcharge
<b>3U Telecom</b> (800) 97 ASK 3U (800) 972-7538 www.3utelecom.com	<b>4.8 ¢ Plan</b> State-to-State 4.8 ¢ In-State 7.9 ¢ <b>No Monthly Fee or Minimum</b> 01:01	4.8 ¢ State-to-State 7.9 ¢ In-State 01:01 Payphone surcharge up to 65 ¢	99 ¢ Paper Bill Fee

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(Residential Rates from page 3)

PER MINUTE RATES, FEES, AND BILLING INCREMENTS *							
CARRIER INFORMATION	ANYTIME RATE PLANS	CALLING CARDS	OTHER MONTHLY FEES AND SURCHARGES				
<b>Total Call International</b> (800) 330-6895 www.totalcallusa.com	<b>Total Saver</b> State-to-State 2.9 ¢ In-State 7.9 ¢ <b>No Monthly Fee</b> 60:60 <b>\$15 Monthly Minimum</b>	6.9 ¢ 60:60 Payphone surcharge up to 75 ¢	99 ¢ Paper Bill Fee				
	<b>Total Basic</b> State-to-State 3.9 ¢ In-State 7.9 ¢ <b>No Monthly Fee or Minimum</b> 18:06						
	<b>Total Prime</b> State-to-State 4.4 ¢ In-State 7.9 ¢ <b>No Monthly Fee or Minimum</b> 18:06						
	<b>Leading Edge</b> State-to-State 2.9 ¢ In-State 6.5 ¢ <b>No Monthly Fee or Minimum</b> 18:06			8.0 ¢ 60:60 Payphone surcharge up to 55 ¢			
	<b>2.5 ¢ Plan</b> State-to-State 2.5 ¢ In-State 7.66 ¢ <b>Fee or Minimum</b> <b>\$15 Monthly Minimum</b> 18:06					14.0 ¢ 60:06 Payphone surcharge up to 65 ¢	

\* The Billing Increment is the time customers are billed for fractions of a minute during a call. See **Helpful Hints** for additional information.

Rates and calling plans are subject to change. Contact companies for current rates and additional calling plans. **Please note:** Some companies have additional plans with cheaper rates if you sign up for service through the internet, pay your monthly bills by credit card, or both.

## SHOPPING TIPS

Our long-distance rate comparison includes the 15 companies that our research shows as having the best state-to-state and in-state rates. As you use our chart, we suggest narrowing your search to a few companies and then **call them to verify the rates before you sign up.** Rates and calling plans change often.

In choosing a long-distance company, it is important to match your calling patterns to the calling plans offered. Please note the location (state-to-state, in-state), amount and length of your calls.

We did some of this work for you and came up with recommendations based on low, average and high call volumes and where calls are made. **Here are the best rate plans for:**

Low Volume Users:	TouchTone, Everdial, PowerNet Global
Average Volume Users:	TouchTone, C-COM, Pioneer Telephone
High Volume Users:	C-COM, TouchTone, Pioneer Telephone
State-to-State Calls Only:	TouchTone, ECG, Unitel
In-State Calls Only:	C-COM, TouchTone, Pioneer Telephone

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## Analysis Notes:

This analysis assumes monthly long-distance minutes are evenly split: 50% state-to-state and 50% in-state.

- **Low Volume**—30 long-distance minutes per month.
- **Average Volume**—120 long-distance minutes per month.
- **High Volume**—300 long-distance minutes per month.
- Long-distance rates may be higher if you live in an **Independent Telephone Company area**.

## General Formula

Visit our web site or call us to get the formula to determine the monthly cost of a long-distance plan based on your specific calling habits.

# OTHER WAYS TO SAVE

## Bundled Telephone Service—Combined Local and Long-Distance

Some companies now provide both local and long-distance phone service. In some cases, lower rates are available if you choose the same phone company for local and long-distance. For instance, C-COM offers long-distance rates of 4 cents per minute for state-to-state calls and for calls within Colorado to its local service customers, with no monthly minimum or fee. Qwest has a “Qwest Choice Unlimited” plan, which is available to its local service customers. With a qualifying package, Qwest Choice Unlimited customers pay a \$15 monthly fee for unlimited long-distance calls. Local service customers with Qwest may also choose to pay 5 cents a minute for all domestic long-distance calls with a \$4.99 monthly fee and no monthly minimum. MCI has “The Neighborhood” plan, which includes local phone service and unlimited long-distance calls. Similar discounts are available through AT&T, Comcast, Sprint and other local telephone service providers.

## Unlimited Long-Distance Calling Plans

Many carriers such as AT&T, MCI, Sprint and Qwest are now offering unlimited calling plans. AT&T’s Unlimited Plus Plan is \$29.95 per month (excluding taxes and fees) for unlimited state-to-state and in-state calls. MCI’s “The Neighborhood” plan offers unlimited long-distance with local phone service (where available) for \$49.99 and includes some features like call waiting, caller ID and three-way calling. Qwest offers an unlimited long-distance calling plan to local service customers with a qualifying plan for \$20.00. One thing to keep in mind with the “unlimited” plans is that they often have a limit, such that a surcharge is billed for exceeding 5,000 minutes. In addition, these “unlimited” plans generally may not be used for dial-up internet access.

## Avoiding Maintenance Charges

When telephone customers have problems with their phone, they often assume the problem is in Qwest’s network facilities—and most of the time it is. However, sometimes the source of the problem is within the customer’s residence. Anytime Qwest makes a premise visit and determines the source of the trouble to be within the customer’s residence (inside wiring), Qwest charges an \$85 trip charge. When you call Qwest, they must let you know this charge might apply. **Before calling, refer to the “Repair Service” section of your white pages directory for information on how you can determine if the problem is your inside wiring.**

## PIC Change Charges Apply

PIC is an acronym for Presubscribed Interexchange Carrier. This is your designated long-distance or local service carrier. PIC change charges are federally tariffed charges imposed by phone companies when a customer changes their long-distance carrier. The current Inter-LATA PIC charges are \$1.25 per line for electronically processed changes and \$5.50 per line for manually processed changes. The Intra-LATA PIC change charge is \$3.00. When combined, the Intra-LATA charge of \$3.00 applies in addition to half of the applicable Inter-LATA charge. Some companies continue to charge \$5.00 for the change. As an incentive, the long-distance company you switch to will often pay this for you (be sure to ask!).



## Helpful Hints

*Long-distance rates and calling plans are confusing with a dizzying array of choices. In addition to the rates, there are monthly fees or minimums and a variety of fees and surcharges of varying amounts that add to your monthly long-distance bill. The Office of Consumer Counsel's rate comparison chart, together with these helpful hints, should make it easier for you to choose the carrier, calling plan, and rates that best meet your needs. We hope this information will help you save money on your long-distance bill.*

### How do I decide which long-distance company's calling plan is right for me?

**First**, look at your calling pattern: how much you call (number of minutes) and where you call (Colorado or elsewhere). **Second**, many plans have monthly fees, monthly minimums or other charges. If you pick one of these plans, be sure to do the math to figure out if the per-minute rate together with these fees is still a better deal than plans with no fees or minimums. If you are unsure how much you call in a month, the average for residential customers is 120 minutes per month. **Third**, check to see where you make most of your long-distance calls. If you make most of them from Colorado to other states, find the best state-to-state rates. If you make most of your calls within Colorado, check the in-state rates on our chart. Remember, you can choose a different company for state-to-state and in-state calls. **Finally, the rates quoted in our rate comparison chart are subject to change. We suggest you choose the two or three plans that best fit your calling pattern, call their toll-free numbers or go to their web sites, and verify their most current rates before you sign up.**

### Will I get cheaper rates if I choose the same company for all my long-distance calls?

It is possible to get lower long-distance rates if you choose the same company for all of your long-distance calls. However, this is not always the case. It really depends on your calling pattern and whether you make more in-state or state-to-state long distance calls. Some companies will lower their monthly fees if you choose them for all of your long-distance calling.

### Are all companies and calling plans included in the rate comparison chart?

No. There are hundreds of companies offering long-distance service. Most have multiple calling plans. We have selected 15 companies and featured several of their calling plans that offer competitive state-to-state and in-state rates. **IMPORTANT: Some companies have additional calling plans with cheaper rates if you sign up for their service through the Internet, pay your monthly bills online or by credit card, or both. Also, the major long-distance companies have "basic rates"—avoid them! Basic rates are their highest rates.**

### Where else can I find comparisons of in-state or state-to-state long-distance rates?

The web site with the most comprehensive list of companies and plans is [www.abtolls.com](http://www.abtolls.com), which has merged with [www.tollchaser.com](http://www.tollchaser.com). AB Tolls depends on the long-distance companies to update their rates on its web site. Sometimes the rates are not current. Be sure to call the long-distance company and verify its current rates before you sign up. Another option is the Telecommunications Research and Action Center (TRAC), which offers a plethora of long-distance information at [www.trac.org](http://www.trac.org). For a fee, you can sign up to be a TRAC member and receive the Tele-Tips chart for residential and business long-distance rates. You can also purchase individual copies of the Tele-Tips rate comparison charts. Write to TRAC, P.O. Box 27279, Washington, D.C. 20005, or call 202-263-2950. Other sites to check out are: [www.callsense.com](http://www.callsense.com) (10-10- dial around numbers and everything you ever wanted to know about prepaid calling cards), [www.ratekeeper.com](http://www.ratekeeper.com) (for international calls and 10-10- dial around choices) and [www.saveonphones.com](http://www.saveonphones.com). Another site with good information about surcharges and misleading claims is the Federal Communications Commission (FCC) at [www.fcc.gov/marketsense/](http://www.fcc.gov/marketsense/).

### What do I need to know about calling card rates?

Most companies will give you long-distance calling cards to use when you travel. Calling card rates are usually much higher than the rates you pay for the calling plan you select. When you select a long-distance company and a calling plan, be sure to carefully check their calling card rates, particularly if you travel frequently and will use the calling card. Calling cards are still cheaper than paying hotel rates, calling collect or billing to your home number (third-party billed), but not as cheap as using a prepaid card from Sam's Club or Costco.

### Can I avoid paying the Federal Universal Service Fund or FUSF charge?

Yes, but only if you use a prepaid long-distance calling card that does not assess the charge, such as the Sam's Club or Costco prepaid cards. The FCC has capped how

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much long-distance and wireless companies can charge for the federal USF. As of April 1, 2003, the FCC prohibits companies from charging more than the contribution rate set by the FCC. Currently, the federal USF charge is 10.9% of interstate charges on your phone bill. A few companies charge less than this FCC-established rate.

### How much does it cost to switch long-distance carriers?

When you make a change to another long-distance carrier, a service order charge will usually apply. This charge can vary from \$1.25 to \$5.50 per line (see section titled "PIC Change Charges Apply"). Many companies will pay this charge to encourage you to switch to their service.

### Once I subscribe to a particular long-distance company's plan, can the company change the rates in the plan?

Yes, and often without giving you advance notice. Read your bill carefully each month and calculate the per-minute rate to make sure your calling plan has not been changed. If it was changed without advance notice to you, and you paid more than the plan you subscribed to, call your carrier and ask to have the calls re-rated to your original plan. Additionally, ask what other plans the company has that would be less expensive for you. Of course, you can always switch to another company.

### Are there additional fees to consider when deciding which plan to choose?

AT&T charges Colorado consumers an "In-State

Connection Fee" of \$1.13 per month and a "Carrier Cost Recovery Fee" of \$1.49 per month. Sprint charges \$0.99 for its "Colorado Cost Recovery" fee, while MCI's "Carrier Cost Recovery Charge" is \$1.25. Additionally, AT&T charges a \$2.99 "Bill Statement Fee" in order to have your long-distance charges appear on your local service bill. C-COM and Sprint have Paper Bill Fees of \$1.50, while GTC charges \$1.95. MCI adds a Property Tax Surcharge of 2.5% and Sprint adds a Gross Receipts Tax Surcharge of 0.47%. These charges should be factored into the overall cost of long-distance service provided by these companies.

### Are there benefits to using my wireless phone to make long-distance calls?

Some wireless or cell phone plans offer "free" long-distance minutes (e.g., on weekends) or the total minutes in the plan are for local or long-distance calls. If you have a wireless plan and are not using all of the minutes or have free long-distance minutes, you may be better off using your wireless phone to make long-distance calls. Check the details of your wireless plan for more information. Remember that roaming charges might apply if you are placing the call from outside your plan's calling area.

### What is a billing increment?

As seen in the rate comparison chart, the billing increment is the time customers are billed for fractions of a minute during a call. For example, a billing increment of 18:6 indicates that the customer is charged a minimum of 18 seconds and in 6-second increments thereafter. A smaller billing increment is always better.

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## UNDERSTANDING YOUR TELEPHONE BILL

### WHY IS MY PHONE BILL SO HARD TO FIGURE OUT?

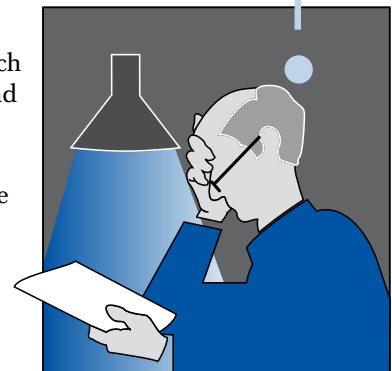
*Telephone bills have become harder to understand, in part because phone companies offer so many different services and bill for other companies' services, like long-distance. Also, new federal and state charges appear on your bill that used to be enveloped in your basic telephone rate. Additionally, some of these new charges are the result of bringing competition into the local telephone service market.*

There is no doubt that phone bills are more confusing than ever. This is why you should read your phone bill carefully each month—to make sure you are paying the right amount for the services you ordered.

Telephone charges fall into the following categories on your local phone bill:

- **Basic Services:** Local phone service provided by Qwest and other local phone companies.

- **Optional Services:** Features such as call waiting and caller ID.
- **Unregulated Services:** Service not regulated by the Colorado Public Utilities Commission (PUC), such as voice messaging.
- **Long-Distance:** In-state and state-to-state long-distance service from companies like Qwest, AT&T, MCI, Sprint, etc.



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(Your Telephone Bill from page 7)

- Other state and federal charges (**Monthly Service**) and taxes (**Tax Summary**).

## WHAT ARE ALL THESE STATE AND FEDERAL CHARGES ON MY PHONE BILL?

Here are some of the state and federal charges on your phone bill, what each charge is for, how much the charge is and who gets the money.

**Federal Access Charge.** The Federal Communications Commission (FCC) ordered this charge to help pay the local telephone company's costs of operating and maintaining the local telephone network. Qwest gets this money. The Federal Access Charge is \$6.50 per month for your first phone line, and \$7 for each additional line.

**Colorado Universal Service Charge.** This charge was ordered by the Colorado PUC and authorized in Colorado law to ensure that phone service would remain affordable in all areas of the state for all consumers. Qwest receives most of this money because it has the majority of the high cost customers. As of October 1, 2005, the charge is 2.9% of all in-state charges on your bill.

**Colorado Telecommunications Relay Service Fund.** This fund was created by state law to pay for a relay service that allows hearing-impaired consumers to communicate with those who can hear, and vice versa. Currently, the charge is 6 cents per line per month.

**911 Surcharge.** Colorado law authorizes counties and other 9-1-1 authorities to charge up to \$1.25 per line per month to pay for the equipment and costs of 9-1-1 service and to develop and provide the same 9-1-1 service for cell phone users. The individual counties and 9-1-1 authorities set this charge and receive the money, some of which goes to Qwest, Colorado's basic emergency service provider. Charges greater than \$0.70 per line must be approved by the Colorado PUC.

**Municipal Charge.** Local phone companies collect this charge required by and paid to your local municipality. The purpose for the charge varies.

**Federal Universal Service Fund.** This charge is also called "Universal Connectivity Charge" by AT&T, "Carrier Universal Service Charge" by Sprint, and "FUSF" by most other carriers. Long-distance and wireless companies pay into this fund and pass the costs on to their customers. The FCC created this fund as a result of the 1996 federal Telecommunications Act that opened the local telephone service market to competition. The fund pays for making local phone service affordable to certain low-income consumers and consumers living in high-cost areas. It also provides support for schools, libraries and rural health care providers. The FCC, as of April 1, 2003, prohibits companies from charging more than the contribution rate set by the FCC. Currently, the Federal USF charge is 10.9% of interstate charges on your phone bill.

### About the Office of Consumer Counsel

**The Colorado Office of Consumer Counsel (OCC)** is the state agency that represents and advocates for residential, small business and agricultural consumers in electric, gas and telephone rate and policy cases before the Colorado Public Utilities Commission (PUC), federal agencies and the courts. The OCC promotes affordable, reasonably priced, high quality, reliable utility service for Colorado's consumers.

If you would like to add your name to the OCC mailing list, or have your name removed from the list, feel free to call us at (303) 894-2121 or send an email request to [occ@dora.state.co.us](mailto:occ@dora.state.co.us).

### Office of Consumer Counsel

1580 Logan Street, Suite 740  
Denver, CO 80203

M362500450

