

B-
PB
MP
RC
DP

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of an Investigation into Various)
Issues Related to the Missouri Universal Service) Case No. TO-98-329
Fund.)
)

NOTICE OF COMMISSION-SPONSORED LATE-FILED EXHIBIT

The Commission has submitted for admission to the record the attached Exhibit No. 23, the Telephone Affordability Study completed in the state of Wyoming. Objections to admission of Exhibit 23 shall be filed no later than August 28, 1998.

BY THE COMMISSION



**Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge**

(S E A L)

Dated at Jefferson City, Missouri,
on this 27th day of August, 1998.

Wickliffe, Deputy Chief Regulatory Law Judge

Telephone Affordability Study

Selected Wyoming Residents

Summer 1997

By

Annemarie Burg, Summer Intern

Wyoming Public Service Commission

Executive Summary

The Wyoming Public Service Commission, an agency in the executive branch of state government, administers the Wyoming Telecommunication Act of 1995. This Act directs that local telephone service must be cost based and, at the same time, remain affordable. The Act includes a provision for a Universal Service Fund to allow ratepayers who live in remote or high-cost areas to continue to receive affordable telephone service.

Wyoming was in the forefront of telecommunications policy when it implemented the Telecommunications Act of 1995, and one year later Congress enacted the federal Telecommunications Act of 1996. The two acts are strikingly similar in many ways; and both pieces of legislation, among other things, relaxed the regulation of local telephone service. The Wyoming Act mandated that the local telephone service industry make the transition from a monopolistic to a competitive service environment so that customers will have a choice of who provides the service and about the manner in which that service is provided.

Historically, telephone companies were not subject to competition. The state public service commissions and the Federal Communications Commission were established to protect the public from monopoly abuse. The rates utilities could charge were set by the regulatory commissions based upon rate of return, which means that utilities could recover prudently incurred expenses plus a reasonable profit. As a matter of policy, state regulatory bodies set local residential telephone service prices below cost and set rates for other services, such as long distance and business service, above cost, which subsidized residential service.

The federal government has high cost support programs currently in use to try to maintain the affordability of telecommunication service. In the future, a federal Universal Service Fund will be the primary tool for the disbursement of federal support for local telephone service. The federal government also has two other programs called LinkUp America and Lifeline which assist people in getting and keeping local telephone service.

Affordability of local telephone service is clearly a matter of great concern throughout the nation.

The Commission conducted a direct mail survey consisting of 12 questions which were sent to one thousand Wyoming households to determine affordability of telephone service for the average Wyoming resident. The responses were grouped into three regions and also accumulated into statewide results. The questions were designed to elicit information about subscribership, the ability to call essential services without toll charges, the amount people would be willing to pay for local services before it would no longer be affordable and how important telephone service is to the customer.

Three hundred fifty three surveys were completed and returned for a response rate of 37.6 %, showing the concern of Wyoming residents on this issue; and current rates may be seen as affordable

based upon the fact that the subscribership level is 99% for those surveyed. The respondents also can call essential services such as schools and hospitals without incurring a toll charge (which meets one of the recommendations discussed in the Federal Communications Commission's Report and Order regarding universal service released May 8, 1997).

Local telephone service is essential for most Wyoming customers, but those customers do not know what monthly rate would cause them to discontinue their telephone service. Although there is some indication that \$30.00 per month may cause some to discontinue their service, they are willing to pay almost any charge. However, they do not want the Commission to get the idea that rates should be increased dramatically.

According to a majority of the responses, cellular telephones, electronic mail and the Internet are not adequate substitutes for telephone service. In fact, it, along with household transportation, are the top priorities (with the question having excluded food and lodging) on a list which included Internet service, cable TV and entertainment/recreation.

The monthly basic charge for local telephone service has room for some upward movement in which prices can increase and subscribership levels will remain constant. People may start disconnecting their service when the charge goes above the \$30.00 range because the benefits of having telephone service will not outweigh the cost of remaining connected.

Introduction

The Wyoming Public Service Commission (Commission) is the state agency responsible for administering the Wyoming Telecommunications Act of 1995. Among other things, this Act mandates cost-based pricing for local telephone service but also states that: "It is the intent of this act to provide a transition from rate of return regulation of a monopolistic telecommunications industry to competitive markets and to maintain affordable essential telecommunications services through the transition period."⁽¹⁾

This study was developed to provide Wyoming policy makers with a better understanding of the concept of affordability from the perspective of average Wyoming residents considering their local telephone service. The findings provide the Wyoming Public Service Commission and others with information that may assist them in the formulation of policies implementing the Wyoming Telecommunications Act of 1995 and in ensuring compliance with the Federal Telecommunications Act of 1996, both of which mandate competition for local telephone service while maintaining affordable prices.

A direct mail survey was chosen as the best method to collect the necessary information to determine affordability for the average Wyoming resident primarily because existing published research does not adequately address the issue of affordability in Wyoming. Existing prices and the recent U S WEST hearings conducted by the Wyoming Public Service Commission, which were well covered by the media, further illustrated the value of the proposed mail survey because affordability issues presently enjoy some prominence in the minds of consumers. The survey was limited to 10-12 questions to make it as easy as possible for the recipient to answer and return, in turn increasing the response rate.

Background

Wyoming Public Service Commission:

The Wyoming Public Service Commission is an agency of the state government. Its mission is to protect the public interest of utility consumers in the state. As times are changing and the telecommunications utility industry is going through a transition from traditional rate of return

regulation to a competitive environment, the Commission must educate customers, resolve complaints and ensure that the residents of Wyoming have access to safe and reliable utility services. Under the Wyoming Telecommunications Act of 1995, the Commission is charged with overseeing the transition from rate of return regulation to the competitive provision of local exchange services. Its duty is to see to it that the change is as transparent as possible and that the benefits of competition are passed on to the state's residents.⁽²⁾

Historical Rate of Return Telephone Regulation:

In the past, telephone companies and other utilities were the monopoly providers of service. In order for services to be available at a price the majority of the people could afford and to eliminate the risk of the exaction of monopoly profits, agencies such as the state public utility commissions and the Federal Communications Commission (FCC) were established to regulate the prices charged by these monopolies and the services they offered.

Most rates were set on rate of return, rate base rate making principles, meaning that the monopolistic utility companies were allowed to recover their prudently incurred expenses and were given the opportunity to earn a reasonable return on their investment. In this regulatory era, the utility company filed its proposed revenue requirement together with financial and operating data to support that level of revenue. Thereafter, the Commission rendered its decision, pursuant to a full and fair public hearing process, regarding whether or not the company had justified an increase in revenue. During this period of traditional regulation, the Commission also enjoyed wide latitude in determining rates to be charged to individual classes of customers (called "rate spread"). The overall goal was that the rates charged to each customer for telephone service, in the aggregate, would recover the Commission-prescribed revenue requirement under normal operating conditions.

A natural outgrowth of this type of rate making process was the subsidization of local residential telephone service through the over pricing of other services such as toll and local access service. Companies that provided basic local telephone service did so at a rate set below the cost of providing the service. At the same time, the revenue from other services, such as toll and business service, helped to recover the shortfall from subsidized service and to provide a degree of profitability for the company.

Wyoming Telecommunications Act of 1995:

In 1995, the Wyoming Legislature adopted the Wyoming Telecommunications Act of 1995 (W. S. 37-15-101 through 37-15-501). The Act mandates that local telecommunications industry in Wyoming make a transition from a monopolistic to a more competitive paradigm. The intent of this legislation, when fully implemented, is to provide customers the benefits of competition, including ultimately prices moderated by competition and enhanced choice, not only in who provides local telephone service, but also in the manner in which that service is provided (e.g., land line vs. wireless service; local dial tone only vs. local service packaged with other optional or long distance services). The Legislature's concern in adopting this legislation, as evidenced in the Act itself, is that local telephone service remain affordable to all Wyoming ratepayers.

By enacting this legislation, Wyoming went directly to the forefront of telecommunications policy initiatives nationally. As an example, in 1996, fully one year after the passage of the Wyoming Act, Congress enacted the federal Telecommunications Act of 1996 which contained many requirements similar to those in the Wyoming Act, including a call for vastly relaxed regulation of local telephone service. Both of these pieces of legislation required that, during this change, telephone rates must remain affordable. As discussed in the FCC's Report and Order regarding universal service released on May 8, 1997, the determination of affordability includes not only subscribership levels, but also non-rate factors such as local calling area, income level, population density, and the cost of living and other non-price based measures of affordability.⁽³⁾

Local exchange services, pursuant to Wyoming law, now must be priced so that the amount of revenue recovered from the sale of each service recovers the cost of providing that service, as measured by the service's total service long-run incremental cost (TSLRIC). The Wyoming Act states that: "No telecommunications company shall use revenues earned from or allocate expenses to noncompetitive services to subsidize services determined by the commission to be subject to competition."⁽⁴⁾

In order to make the transition to competition less burdensome to ratepayers and to mitigate the possibility that some extremely high cost customers would drop their service altogether, the Legislature adopted provisions allowing for the establishment of a Universal Service Fund as part of the Act. This fund's purpose is to "... assist only those customers of telecommunications companies located in areas of this state with relatively high rates for essential services."⁽⁵⁾ A monthly charge applied to telephone service subscribers will create the fund, and it will be distributed to the companies which provide service to customers at rates that "exceed one hundred thirty percent (130%) of the weighted statewide average local exchange rate."⁽⁶⁾ The fund enables local exchange service to remain affordable for customers who live in remote or otherwise high cost areas by keeping their basic monthly telephone charges down.

Survey:

According to 1990 census data⁽⁷⁾, there are approximately 169,000 households in the state of Wyoming. While the use of statistical methods in determining the appropriate sample size for the survey was contemplated, it was concluded that a statistically valid sample size, determined by way of accepted sampling techniques, was well beyond the scope of this study. At the same time, it was also recognized that the use of an inadequate sample size would not be representative of the larger body of Wyoming ratepayers, particularly in light of the fact that the average response rate for mail surveys is 25%⁽⁸⁾. Conversely, the use of a supra adequate sample size would have had serious implications for the budget established for the project. Ultimately, it was determined that a sample size of one thousand Wyoming residents would be within the budget and would provide a sufficient number of responses to provide meaningful results.

The sample was obtained by requesting a mailing list from a company headquartered in Florida, with the only stipulation being that the addresses provided be located somewhere in Wyoming. Most addresses were residential, but there is the possibility some business addresses were included. The survey questionnaires and envelopes were addressed to "Wyoming Resident" in order to avoid the possibility of new occupants of a household returning the survey unopened and therefore increasing the undeliverable rate. (See Appendix A).

When the mailing list was received, the addresses were divided into three regions based on the following criteria: (1) the first three digits in the zip code; (2) the cities covered by the Cheyenne area telephone book and; (3) the number of addresses from each city that were included in the mailing list. The three regions are large enough that a sufficient number of responses could be expected to be returned from each region and the results would not be skewed due to small numbers. The regions and the number of surveys sent to each region are as follows:

- Region 1: Casper and Douglas (319).
- Region 2: Cody, Greybull, Lander, Lovell, Powell, Riverton, Thermopolis, and Worland (283).
- Region 3: Cheyenne, Laramie, Rawlins, Torrington, and Wheatland (394).

The first two questions reflect an effort to determine the subscribership level of the sample. If the respondent did not have telephone service, question two was aimed at finding out why. Question 3 made it possible to break the returned surveys into regions. The next question determined whether the telephone service already available gave the customer access to essential services. Questions 5-8

dealt with income and the amount people would be willing to pay for local telephone service before it would not be an affordable service. The next three questions were posed to determine how important local telephone service is to customers and if there are any substitutes. Question 12 let the respondents make any comments which they thought would be beneficial to the Commission (see Appendix B).

Other Findings:

Even though telephones are commonplace in many households, there are some households without local telephone service. According to some studies on such households conducted between 1993 and 1995, the primary reasons people do not have telephone service include: (1) they had telephone service in the past, but incurred excessive toll charges; (2) they feared others would use the service and charge it to them and; (3) they feared they would purchase items by telephone⁽⁹⁾. Another reason that people gave for not having telephone service was that the installation fees and deposits are excessive.⁽¹⁰⁾

The Federal Communications Commission, in adopting revised rules governing the administration of the federal Universal Service Fund pursuant to the federal Act, recognized that income plays an important part in the affordability of local telephone service. An article on the Internet justifies this importance. According to the article, when the cost of basic telephone service is around 1% of the household income, subscribership levels are at or above 90%. When the cost drops below 0.7% of the income, the subscribership increases to 99%.⁽¹¹⁾

The federal government has several programs in place that help to keep telephone service affordable. The primary mechanism for the distribution of federal support in aid of local telephone service is the federal Universal Service Fund. At the time of the drafting of this report, all the rules and policies required to implement the revised federal USF were still being developed by the FCC with prospective implementation in 1998.

LinkUp America is a federally sponsored program which assists people in connecting to the local telephone network. LinkUp America allows a \$35.00 discount for installation of local service to qualified applicants. The funds for this program come from the federal Universal Service Fund.

Lifeline is also a program sponsored jointly by the federal government and participating state governments (about 10 states do not participate). The program provides a discount on the monthly basic telephone service charge of up to \$7.00. \$3.50 is supplied from the federal Universal Service Fund and the other \$3.50 comes from the state where the applicant resides. Wyoming Statutes implementing this program are found at W. S. 37-2-301 through 37-2-306. In Wyoming, participation is voluntary for all local service providers except U S WEST.

Results

(For the numbers and other percentages refer to Appendix C.)

Of the 996 surveys sent out, 58 were undeliverable by the post office. Three hundred fifty-three (353) were returned completed giving a response rate of 37.6%. Region 3 topped the three regions with 148 returned surveys. Region 1 had 106, while Region 2 had 91 completed surveys. Eight surveys were included in the statewide figures, but were excluded from any one region because Question #3 was left blank or did not have a city listed and so could not be classified.

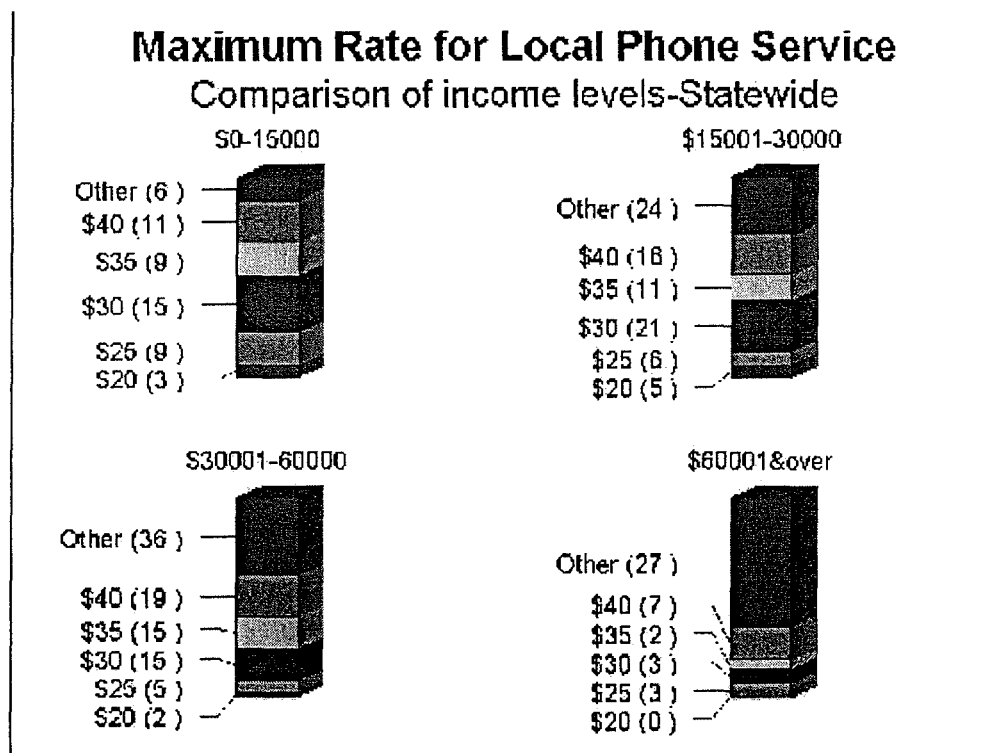
Most of the people responding have telephone service. In fact, ninety nine percent (99%) of those who returned the survey have local telephone service. This varied between 100% in Region 1 and 98% in Region 2, with Region 3 reporting 99%. The two answers given most often for not having telephone service were that the installation fees/deposits were too high and the bills the customer

incurred were too large. The only other reason given for not subscribing to local telephone service was that there was not an office for the local telephone company in Cheyenne where the customer could get problems resolved.

Statewide, 97% of the households polled do not receive a long distance charge when they call hospitals, schools, and other essential services. Region 2 again had the lowest result with 92% not receiving a toll charge. Region 1 and 3 both had 99% who stated that they were able to reach these essential services without charge.

Based on income levels, the most frequent response to the question of what the level of monthly charge would be at which people would no longer subscribe to local telephone service is "other," implying something greater than \$40.00 per month. The only income level which was an exception was the \$0-15,000 level which gave \$30.00 per month as their top response. Forty dollars was the second most marked response for households both the upper income levels (greater than \$30,000) and the lowest income level (less than \$15,000). The \$15,001-30,000 level's second most common answer was \$30.00. (See Graph #1).

Graph #1



Not based on income, the largest percentage of households questioned (36%) marked "other" again, implying that a price of more than \$40.00 would be the highest acceptable basic monthly charge above which customers statewide would no longer wish to subscribe to local telephone service. Following "other" was \$40.00 (20%) and then \$30.00 (18%) for the highest acceptable monthly charge. Region 3 followed the pattern of the statewide results of "other" (36%), \$40.00 (21%) and \$30.00 (20%). Region 1 followed the pattern with "other" (46%) and \$40.00 (21%) being the first two choices, but the third choice was \$35.00 (20%). "Other" (27%) was the first choice for Region 2 with \$30.00 (25%) being second. \$40.00 and \$25.00 tied for third each with 16%. (The charges and corresponding percentages are compared for each region and statewide in Chart 1.)

Chart 1				
	Region 1	Region 2	Region 3	Statewide
\$20	0%	5%	4%	4%

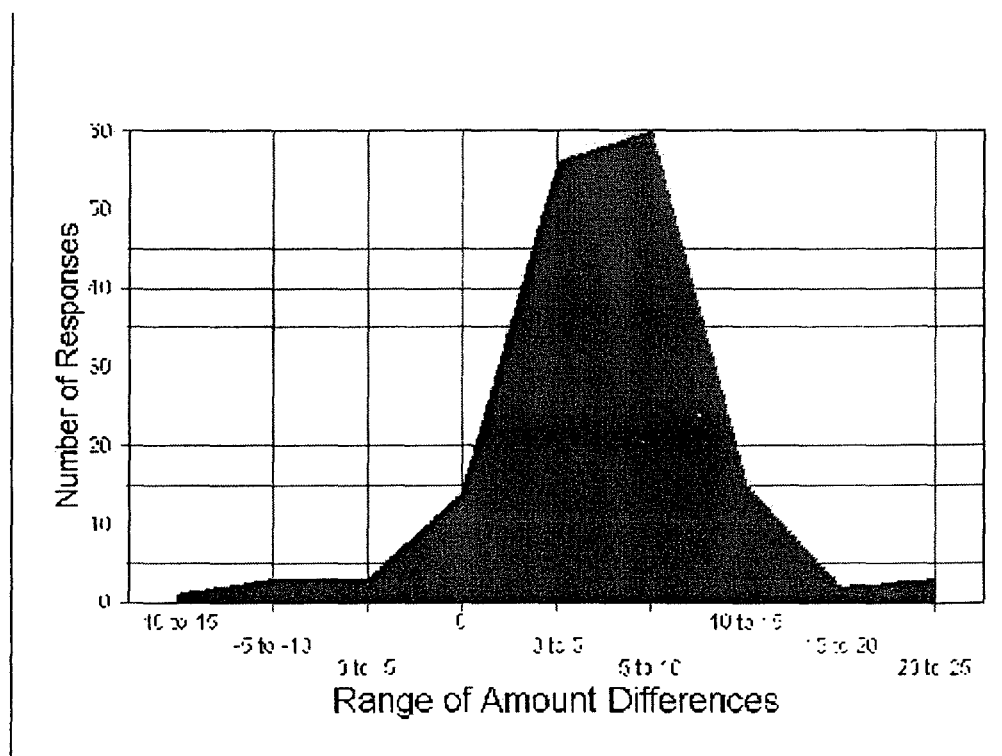
\$25	5%	16%	5%	9%
\$30	8%	25%	21%	18%
\$35	19%	10%	14%	14%
\$40	22%	16%	21%	20%
Other	46%	27%	35%	36%

Of those questioned who budget for monthly expenses, 47% of the respondents in Region 1 set aside 1% or less for local telephone service. In Region 2, 54% of the respondents allocate 2-5% of their budget for this service, as do 47% in Region 3 and 44% overall. Statewide, 85%, or 179 out of 215 people who responded to question six (concerning what percentage they budget for local telephone service), apportion 5% or less of their monthly budget for this purpose.

Considering what the consumers said they currently pay for local telephone service, the difference between that amount and the level at which they would no longer subscribe was calculated. The "other" responses were not included, nor were current charges above \$40.00. Statewide, the most popular answer (with 60 responses) shows that customers are willing to pay an additional increment of \$5 to \$10 per month for telephone service. Following closely behind (with 56 responses) was the indication that customers would be willing to pay up to an additional \$5.00 per month for telephone service. (See Graph #2). Region 2 and Region 3 had the same order for the first two responses. In Region 1, up to an additional \$5 per month was the most popular response, followed by the \$5 to \$10 increment.

Graph #2

Difference Between Present & Maximum Acceptable Charge Statewide



Local telephone service is "very important" according to the responses to Question 9. Statewide, 83% thought so, while only 2% believed that telephone service was "not important." One hundred percent (100%) of the returned surveys in Region 1 rated local service as either "very important"

(84%) or "somewhat important" (16%). In Region 2, one percent (1%) thought that local service was not important, 13% thought it somewhat important, and 86% believed it to be very important. In Region 3, only 79% rated local telephone service as very important. Eighteen percent (18%) thought it to be somewhat important and three percent (3%) found it not important.

The sampled Wyoming residents rated the importance of local telephone service, cable television, Internet service, household transportation, and entertainment/recreation on a one to five scale with five being the highest or most important. The answers were pooled and summed using a weighted score. Overall local telephone service and household transportation were rated as the most important, nearly tying on a percentage basis (23.20% and 22.97%, respectively). Rounding the answers out were cable television (19.19%), entertainment/recreation (19.07%) and Internet service (15.57%). The results are basically the same when the regions are viewed separately. In Region 1, telephone service was first in importance with 23.59% of the responses, followed by transportation (22.14%), cable TV and entertainment/recreation (19.31%), and the Internet (15.66%). In Regions 2 and 3, transportation was most important with 23.14% and 23.48% of the responses, respectively. Local telephone service followed with 22.60% and 23.24%, respectively. Rounding out Region 2 was entertainment/recreation (18.83%), cable TV (18.22%), and the Internet (17.22%). Region 3 ended with cable TV (19.66%), entertainment/recreation (19.18%), and Internet service (14.44%).

Cellular telephone service, electronic mail, and the Internet are not viewed as alternatives to local telephone service according to 64% of those surveyed statewide. However, 36% responded that one, two or three of these technological options could be used as an alternative. In Region 1, the results were much closer, fifty eight percent (58%) said they were not an alternative, while 42% believe they were a possible option. Region 2 was split with one-third (33%) responding that they could be an option and two-thirds (67%) saying none of the three was an optional surrogate for local telephone service. Sixty-eight percent (68%) of the people responding in Region 3 said they were not an option while 32% said they were.

Analysis

The study's response rate of 37.6% was more than 10% better than the average for such studies, which could be an indicator that Wyoming citizens are concerned with the affordability of their local telephone service. Many citizens also voiced their opinion on Question 12, a request for additional comments, which shows their concern about this issue. (The comments are included in Appendix D, classified by city.)

Subscribership rates in Wyoming are high based on the earlier described responses. This may be an indication that the telephone rates as they stand currently are affordable.

Most households do not incur toll charges when they call essential services such as hospitals and schools. From this information, one may conclude that, in most of the polled areas, the calling area is sufficient as discussed by the Federal Communication Commission in its Report and Order on universal service released May 8, 1997, although it may not be ideally sized for all business transactions that customers would like to make from their homes on a regular basis. Greybull and Douglas furnish interesting examples. Of the six surveys returned from Greybull, four respondents said that they could not contact essential services without incurring a charge. Douglas, on the other hand, responded they could call essential services; but, in the comment section, some citizens expressed their wish to be able to call to Casper without a long distance charge being incurred.

Local telephone service is considered by many Wyoming residents to be essential. They view it as a service they cannot live without, and they consequently do not want to see prices rise too high. A substantial portion of those who marked "other" as their option on the question regarding the monthly rate at which they would no longer subscribe to local telephone service described their need for the service as being so great that they would pay almost any amount, but they did not want the

Commission to conclude that rates should therefore be allowed to increase dramatically. Some respondents included long distance charges in the current amount they reported for their local monthly telephone service charges and, therefore, stated that their monthly charge was anywhere from \$40 to \$100. They therefore believed rates could go higher than \$40.

The second and third most common responses to the question about the highest rate the customer would be willing to pay prior to considering disconnection were \$40 and \$30 per month, which are both higher than most current monthly basic charges. Also, as indicated by the amount that subscribers pay now and the amount that would cause them to disconnect their service, telephone rates apparently have a "cushion" of up to \$10. It appears, therefore, that there is some room for upward movement in the monthly local telephone service charge. That is, the survey indicates that monthly prices could be increased, if required to comply with the Wyoming Telecommunications Act of 1995, and still maintain affordable rates and high subscribership levels.

The importance of an item directly relates to affordability and a customer's willingness to pay increased prices. The more important an item, is the more people would be willing to spend to have it. Based on the households questioned and their responses, people place local telephone service among their top priorities (with the question having excluded food and lodging). Although four of the five items compared in Question 10 were ranked closely, household transportation and local telephone service were the top choices. This leads to the conclusion that people would be more willing to spend their money on these items first; and then, if there were any money left over, they would purchase from the other categories.

Another factor that relates generally to affordability is availability of substitutes. A person will not pay as much for an item if there is another item that can be used in its place, as long as the replacement item fulfills the intended purpose as well or better than the original or is priced at a substantial discount where the price savings makes up for inferior quality. Currently there is no available -- and acceptable -- alternative to local telephone service, according to a majority of those questioned. However, about one-third of those polled view new technologies such as electronic mail, the Internet and cellular telephone service either as substitutes now or as soon-to-be substitutes for local telephone service. This third may be willing to switch if local telephone service prices increased to a level at which the alternatives were more cost effective.

Conclusion

The Wyoming Telecommunications Act of 1995 requires that local telephone service in Wyoming become a competitive industry with cost-based pricing. This study was conducted to examine affordability and how it relates to the local telephone service industry. Its purpose is to better inform the Wyoming Public Service Commission and other interested parties and to assist them in the implementation of the cost-based pricing mandated in the 1995 Act.

Affordability is an important focus in the federal Telecommunications Act of 1996 and further discussed in the FCC's Report and Order regarding universal service released on May 8, 1997, which the Commission must also consider because of their effect on prices for local telephone service. The Report and Order included subscribership levels and the local calling area in their list of determinants for affordability. Wyoming subscribership levels are high; and, from the responses gathered from the survey, it appears that they should remain high.

Wyoming is predominately rural. Cities are few and far between, which means that local calling areas are limited in size. They do allow people to reach local essential services such as hospitals and schools which is the basic requirement of a calling area. Therefore, from the standpoint of calling areas, Wyoming's local telephone rates are currently affordable. Because there is no pending action to shrink calling areas, this perspective of affordability is not likely to change.

Local landline telephone service is very important to the residents of Wyoming. Customers see no comparable substitute for it at this time which seems to indicate that the subscribership levels will remain the same unless the rates go above the \$30.00 range. If they do, some people indicate that they will disconnect their telephone service because the benefits of having it do not outweigh the cost to keep it active.

Finally, concerns were expressed about how the elderly and those living on fixed incomes would be able to afford increases in local telephone service if cost-based pricing mandates increases. It is necessary for people in these groups to have local telephone service in case of medical or other emergencies. The telephone also keeps some elderly persons connected to the outside world. To resolve this situation, previously discussed programs such as Lifeline and LinkUp America can help to maintain affordable rates for these residents. Therefore, persons with this concern need to find out if they qualify for assistance and can do so by contacting their local telephone company or the Wyoming Department of Family Services.

It was not the purpose of this study to ask Wyoming telephone customers to make proposals for cheaper types of service (such as limited-purpose local-only telephone service), to survey their awareness of potential sources of help in paying bills, or to understand their attitudes toward receiving assistance in paying local telephone service bills (generally an independent attitude that does not look positively at such assistance).

References

1. Wyoming Telecommunications Act of 1995, 1995. 37-15-102, Legislative intent.
2. <http://psc.state.wy.us/strategicplan.html>
3. Federal Communication Commission Joint Board Report and Order, Released: May 8, 1997. CC Docket No. 96-45, paragraph 109.
4. Wyoming Telecommunications Act of 1995, 1995. 37-15-403 (a), Cross - subsidies prohibited; enforcement.
5. Wyoming Telecommunications Act of 1995, 1995. 37-15-501 (c), Universal service fund created; contributions; administration.
6. Wyoming Telecommunications Act of 1995, 1995. 37-15-501 (d), Universal service fund created; contributions; administration.
7. <http://venus.census.gov/cdrom/lookup/864408116>
8. McCarthy, Jerome E. and William D. Perreault Jr. Basic Marketing. Irwin, Homewood, IL: 1987.
9. <http://www.ctr.columbia.edu/vi/papers/cacm.htm>
10. <http://www.ctr.columbia.edu/vi/papers/1996usf.htm>
11. <http://www.benton.org/Library/Recommend/Affordability.html>

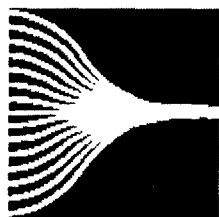
Appendix A: Cover Letter

Appendix B: Survey

Appendix C: Results Spreadsheets

- Region 1
- Region 2
- Region 3
- Statewide
- Comparative

Appendix D: Public Comments



BENTON
FOUNDATION

© 1998 Benton
Foundation

GOING

Losing Ground Bit by Bit:

Low-Income Communities in the Information Age



Printed copies of this report are available for \$10.00 each by calling 1-877-2-BENTON (1-877-223-6866).

A PDF version (580k) is also available.

This report was researched and prepared by Susan Goslee, with editorial guidance from Chris Conte.

Additional contributors include Jillaine Smith, Kevin Taglang, and Betsy Puckett.

Print design: Supon Design Group, Washington, DC
Photos: Photodisc

Losing Ground Bit by Bit is published by the Benton Foundation in association with the National Urban League, who share a commitment to bringing the benefits of the digital age to all Americans.

Introduction

Defining the Technology Gap

- Worrisome Trends
- Who Suffers?
- Can Schools and Libraries Help the Poor Catch Up?

Barriers to Closing the Gap

- Societal Priorities
- Ambivalence About Technology
- Lack of Political Clout

What's Needed: The Policy Arena

- Universal Service
- Federal Programs
- State Regulatory Commissions
- Other Anti-Poverty Efforts
- Community-Based Initiatives

What's Working

- Using technology to support community-based industry: ACENet
- Training 20th-century citizens for 21st-century jobs: The South Bristol Learning Network

Americans.

The *What's Going On* series is published through the Benton Foundation's Communications Policy and Practice program.

Losing Ground Bit by Bit: Low-Income Communities in the Information Age is made possible by a generous grant from the Charles Stewart Mott Foundation.

Additional support for the series and for our work comes from the John D. and Catherine T. Macarthur Foundation and the W.K. Kellogg Foundation.

- A trusted service provider incorporates technology into its programs: United Neighborhood Houses of New York
- Public institutions increasing access: Union City Schools and Libraries Online!
- Providing support and information for community technology centers: CTCNet
- Using technology to strengthen neighborhood communications: The AFN-Neighborhood Network and MUSIC/LUV
- Providing underserved youth with enrichment and training for the jobs of the future: Break Away Technologies, Plugged In, and National Urban League Youth Achievement Initiatives

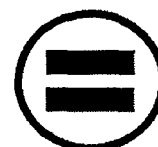
Resources

Print and Internet resources, programs, and studies referred to throughout the report, and suggestions of additional areas for exploration.

- Overview -- Trends & Policy
- Surveys & Statistics
- Organizations Pursuing Technology Equity
- Related Organizations
- Research Organizations
- State Utility Commissioners and Public Advocates

The Benton Foundation's Communications Policy and Practice program promotes public interest values and noncommercial services for the evolving Information Infrastructure through research, policy analysis, print and online publishing, and outreach to nonprofits and foundations. Its web site provides current information on communications policy and highlights innovated uses of technology by nonprofit organizations.

The National Urban League is the premiere social service and civil rights organization in America. The League is a nonpartisan, community-based organization headquartered in New York City, with 115 affiliates around the country. The League's Technology Programs and Policy department works with industry, government, and other community-based organizations to bring the benefits of information and communications technologies to underserved communities.



[Search](#) [Library](#) [Related Sites](#) [About Benton](#) [Contents](#) [Feedback](#) [Help](#)

© 1998 Benton Foundation
1634 Eye Street NW, 12th Floor
Washington DC 20006 USA
ph:202-638-5770 fax:202-638-5771
email: benton@benton.org
WWW: www.benton.org

Last updated: 10 July 1998 jss
<http://www.benton.org/Library/Low-Income/>

Appendix B: Survey

Survey:

1. Do you currently have local telephone service?

☐ Yes ☐ No

2. If no, why not?

☐ The installation fees and deposits were too high.

☐ I previously had local telephone service, but the bills I incurred were too large.

☐ I didn't want the access because of the ability to purchase items by phone.

☐ Other _____

3. Where in Wyoming do you live? _____

4. From your home, are you able to call hospitals, schools, and other essential services without incurring a long distance charge?

☐ Yes ☐ No

5. What is your annual household income?

☐ \$0-\$15,000

☐ \$15,001-\$30,000

☐ \$30,001-\$60,000

☐ \$60,001 & over 6. What percentage (%) of your monthly budget is used for local telephone service? _____

7. What are your current monthly local telephone charges? _____

8. Please indicate with a checkmark () at what monthly charge level you would **no longer** subscribe to local telephone services.

☐ \$20

☐ \$25

☐ \$30

☐ \$35

☐ \$40

☐ Other _____

9. How important to you is local telephone service?

☐ Very important

_____ Somewhat important

_____ Not important at all

10. Number in order of your perceived level of importance the following items. (1-low; 5-high)

_____ Cable TV

_____ Local telephone service

_____ Internet access

_____ Household transportation

_____ Entertainment/Recreation activities

11. Do you see cellular service, e-mail, or the Internet as an alternative to local telephone service?

_____ Yes _____ No

12. Please make any other comments you feel would be beneficial to the Wyoming Public Service Commission regarding local telephone service rates. _____

Public Comments:

Please make any other comments you feel would be beneficial to the Wyoming Public Service Commission regarding local telephone service rates.

Casper

- People in Wyoming cannot afford these higher rates, until they do something with wages.
- People can't afford all these rate hikes. It's time for these companies to live in a budget like every one else.
- I use phone average of 30 times a month (18 calls coming in - 12 out), about \$1.00 every time used. Costly. Very rare long distance, except to V.A. Sheridan Hospital. (WWII vet). T.V. and phone increases all the time--out of line.
- A cafeteria-style selection of additional services rather than a "here it is--take it or leave it" type of service would interest me with a mere affordable rate for individually selected items. The package deals presently available contain at least 2 items I do not want or use.
- If cellular gets cheaper then that would be the way to go.
- Thank you for the work you do for us.
- I feel \$25 to 35 is a reasonable amount to pay for local service.
- Telephones are very important to us-but in later years and fixed income-rising charges on needed things make problems for we seniors-with no thought to discounts. Even enjoyment to TV is hard with their monthly rates. Our monies don't increase.
- These are too high now. Please do not raise rates now. As a public school teacher, I have not been able to keep up with the cost of living.
- I think we had better service at better prices when we had one regulated phone company.

- We are seniors and feel the rates are high enough now on our limited budget.
- The rates are high enough now.
- As a senior citizen I moved to a house better suited to my needs, but I kept the other house because I had a huge amount of materials I had accumulated as I served children as a speech pathologist for over forty years. US West said I could have the same number at both houses until I had the time and energy to move out completely. (I felt it was not safe to be in the house without service.) They said "fine" and charged me an extra \$7+ until recently when they more than doubled my cost. I had no alternative and I am unhappy about it.
- On a fixed income like we have, as retired people, phone service is very high priced.
- Please keep it affordable for all incomes.
- We are retired on fixed income-find that inflation is impossible to keep up with. A phone is a necessity, but not so heavily used.
- All utilities are high. They get raises while working people are cut back or lose their jobs.
- Deregulation in the local phone service arena will result in higher bills just like long distance did.
- Installation fees are too high, but it does help that they are able to break it into payments. Breaking the installation into payments was the only [thing] that encouraged us to get a phone, when we were just starting out and couldn't afford it.
- Not everyone has a cell phone or computer. I know a lot of people who don't have a phone because the deposit is too high.
- This is still the cheapest utility we have.
- Local phone service is a necessity. People will pay a lot for it. The rate should allow the phone company a reasonable return and be set as low as possible cost to the user.
- I feel phone companies should be capped at a 5-10% profit.
- I just don't know where people will be able to keep paying more and more for basic service. There is a saturation point people reach when they can just no longer afford things and that's the point most people won't pay at all. They will just refuse to pay at all.
- The only reason I have a telephone is for emergencies, and the phone company uses that to increase rates.
- The argument for (continual) rate increases is that we need to pay for extending service to outlying areas. The infrastructure is already in place--why are we being asked to pay relatively large increases to extend service to a handful of customers? Those charges are never removed after the extensions are paid for, are they?
- We pay enough for basic telephone services along with all these taxes added to the bill. I don't feel the rate raise is justified at all.
- People on fixed incomes cannot afford 24% increases when we receive on[ly] 2.8% increases in our incomes.

- Please no raise in rates!
- The local and long distance phone bills are so "unbundled" you get many small charges you perceive as small but when put together gets expensive. It's an attempt to put the public to sleep. The long distance bill is also part of the phone bill and I don't generally separate out the local vs. the long distance. It [is] all just a large monthly bill. Tell Alan Greenspan there is inflation because prices keep going up.
- Something has to stop somewhere, it might as well be this.
- Need more competition as US West (worst) currently has monopoly.
- They are on the edge of being too expensive.
- Please don't raise them!
- Local & long distance just seem to keep going up & no real extra benefits/new services in return.
- Currently my local service is charging about \$130.00 to \$178.00/month. Among the fees are a \$20.00 charge for the line. In addition any option added costs more.

Cheyenne

- I feel a raise in rates will be detrimental to low income families.
- Get rid of the after 5 p.m. pests.
- \$35.00 for basic service before a single call is made is boarder line. . . I really don't need a phone if the pricing continues to go up.
- With all the competition for long distance service it seems there is very little local competition which might not lower prices but may keep them from raising in the future.
- I live alone, am 90 years old, and have no experience with computers, etc. I would be absolutely lost in e-mail and internet. My telephone is my link to the outside world.
- Rates O.K. if raised only 2-5% at a time.
- I think rates are really too high right now for something as essential as local telephone service. It's something you just about have to have so I pay for it. Cable T.V. is too high so I do not subscribe to it. This may occur with phone service if it goes higher also.
- I think the rate for basic service is way too high . I do not have any other expanded service and my bill is still around \$30.00.
- Local phone bills should not be a method of taxing. ie. 911 fund, low income assistance, etc.
- The telephone is my means of communication as all my family live out-of-state.
- The basic rates are pretty high so I have to limit long distance calls.
- Quit having telemarketers from each company trying to get your business. It is both annoying and I am sure it costs the company a lot of money.
- The telephone is a nuisance at times when we are harassed by telemarketers. We have caller ID, so we do not answer any unwanted telephone calls. We have considered not having a

telephone for this reason.

- Rates continue to increase without parallel increases in service though the reason provided for the increases are generally high tech investments in infrastructure. Rates are low elsewhere with more and better services available.
- I believe its too high.
- I need a telephone for medical purposes. I am a cardiac. I don't think the information I provide will be of any value. It appears money and power-one follows the other-prevails and I have neither.
- We feel getting on Internet should cost more as people tie up phones using it and we suffer because of their low cost and our phone calls so expensive.
- If other companies will be able to compete with the current business, I believe it will help lowering the prices, just by the virtue of competition.
- I do not think one should be charged for installation when moving if you've had phone service either in state or out-of-state.
- Telephone rates should not go up as living on fixed income.
- I feel the resident line rates should stay about the same rate. People who can afford computers, fax machines, etc. should pay for the privilege of using the telephone lines that they tie up for long periods of time. Government and Businesses can raise money to cover these added costs easier than folks on a fixed income.
- I have to have a phone so I can be called to work, but ours is way too high. I believe our service is about double what it should be. 911 etc. cost extra. B.S. on top of all these charges it [is] very unreliable. So many different taxes added on a \$29.95 bill ends up at \$50+ without long distance. Very displeased.
- By using e-mail or the Internet as our local telephone service option, those of us without a computer wouldn't get any services.
- We have often thought how much more we will be able to afford telephone service and how we will get along without it.
- Keep them at below present monthly amount if possible.
- I think they are very high. I hate to think that they will go higher.
- Quit giving increases every time they ask. Make them justify & prove need for increases, such phoney stories that you people buy into is crap. You are not a regulatory agency in any sense of the word. You see to it that the rich get richer and the poor remain poor. Get out of bed with US West.
- Forget the rates, I would just like more reliable phone service. Our phones "blow out" every time we have a storm. That is not acceptable service for \$35.00/month. (25 miles west of Cheyenne)
- US West made an agreement with the Governor, if he approved their rate restructuring they would curtail future rate hikes. Before the ink could dry they requested a rate increase. Now they are apparently requesting another increase. Hold them to their agreement for a minimum of 5 years!

- I don't see anything in this survey related to service or maintenance. In fact I'm surprised I took the time to fill it out.
- With modern conveniences such as the Home Receptionist Telephone System, the services available should not be charged at sky high rates.
- We don't understand why all local services are going up way over 5% when government says cost-of-living is under 3%. We are retired seniors on fixed income, except for Social Security, which has not increased even 3% annually recently. We are losing to actual inflation even if it is denied. How can you help this large group of citizens?
- As long as we can afford it, we would be willing to pay a little more. In case of an emergency a telephone is considered essential.
- We're seniors and need [phone service] to call hospital, doctors, family, etc. so we don't have to get in the car to run to do business. Phones help cut down gas usage. I think rates should be average as most people are middle class, low income and seniors. We all need phone service as much as food and transportation for being able to communicate with having to run and cost us more for gas, etc.
- I do not understand why we are paying more than people who live in town, because we have the least amount of service. Many times our phone doesn't work through no fault of our own, but yet we get hammered for whatever cost is incurred. (Lives between Cheyenne and Laramie.)
- Please no more surcharges for the sick, lame or cripples. They don't need telephones--please think of your grandparents. They lived and died without an instrument sticking out of their ear(s). (So can we!)
- I do feel the basic rate on phone service is getting too high. They have plenty of other services to collect more money. I do believe people on a fixed income will soon be unable to have a phone.
- We feel \$19.09 for a telephone line is rather exorbitant, especially compared to other parts of the country.
- It is something we have to have but would like it to be same as it is now. Retirees on fixed incomes find it hard to pay for constant increases in services.
- Rates too high!
- Phone service is an absolute necessity. I am 62 and need crutches to get around. I cannot be without a phone.

Cody

- Too high for a monthly charge.
- Good as can be expected--but high.
- Basic rate per month should be no more than \$15/20, compare US West to other companies and you'll see we the consumer is being ripped off!

- \$49.00 per month just to have a phone seems unreasonable to me but we pay more, they tell us, because of the distance [we live] from Cody. I would think \$30.00 per month would be adequate.
- Were it not for the fact that I have to field calls from salespeople and solicitations for various charities, etc, I would check a higher price on [question] #8. [The monthly charge you would no longer subscribe to local phone service.]
- \$3.50/month for Federal Access is too high. Federal Excise Tax and State Tax should *not be charged on services* (total \$1.42/month), only on materials, *not on services*.
- Any increase in present rates would be very unfair to the users in Wyoming.
- When the Federal Government made AT&T and Bell system split that's when things began to increase in price. In the late 1970's my phone bill including use of their phone was approx \$12.00. Now at same residence it is approx \$25.00 using my phone. I pay a phone line maintenance fee every month. I have never had any maintenance done in the 20 years I've lived here! After you pay for basic service (increased) and all the other little charges you have a larger phone bill. I and other people in Cody have our phones ring and have no one on one the line when we answer.
- We are a retired couple and feel local telephone charges for service should be ample and not any higher. Really do not wish to change from US West Comm.
- Too high for the service we get. I had to wait over 9 months to get a phone when service had been in the house a month prior. The lines are not clear--.
- Our distance (15 miles) seems to increase our rates substantially. Why are our long distance rates so much higher than surrounding states. Utah for instance.

Douglas

- Deregulation will only INCREASE rates.
- Older people trying to live on Social Security have all they can do to pay at the present time. In this case the Lifeline connected through telephone is vital.
- Without business, local phone service is vital. For others it is important for emergencies, information, and general communication. For those of us who do not have e-mail and/or Internet, we will use our cellular phones if the local costs get too high. As with cable TV rates--if the phone bill gets too high, people will find other ways to communicate and be entertained.
- Why do they have to be so high?
- Local phone service is of vital importance for public safety, business and convenience and rates should remain as low as possible to insure *affordable* service for *all* income levels.
- Please stop the cycle of raising prices for our utilities. Enough is enough! People on fixed income barely make it now. The phone companies have not done anything for the people of Wyoming. *Stop the insanity now!!!*
- US West is currently too high on their basic monthly charge.
- We built our house, my husband put in the phone wire right to the house--phone service was already on the lot and we still had to pay \$375.00 to US West to get service. We refused for

several months until our daughter had an emergency and could not reach us. During those months we used the cell phone. US West has no competition and this makes them uncaring about customers.

- I hope that the rates don't go any higher. It's a service everyone needs so I hope it will stay affordable.
- Why should the rates continue to go up? Why?
- [We should be] able to call Casper without a long distance charge.
- Local calls from Douglas should include Casper at no charge.
- Highest rates we've paid anywhere in the U.S.

Greybull

- Be able to access any long distance competition for in state calls and to have Internet access without extra costs.
- We have a very small area we can call toll free and both towns have less than 2,000 population--which isn't much beyond social calling. Most medical and business calls are toll calls. They really have us by the throat.
- Just keep it running smoothly, so when it's needed we'll have it to access.
- Would like to have Internet access without extra charge. [Would like] to have choice of long distance (in state) service.

Lander

- People (such as me) on fixed incomes cannot afford all these raises. I cannot see lowering long distance rates and raising the regular rates to compensate.
- I liked the entire phone system (local & long distance) when it was a monopoly. It sure made it easier, and cheaper to know who was responsible for what--in wire maintenance, etc.
- Keep them down, we are already paying far too much. In state calls should be less also, they are far more than state to state calls. Keep in mind that Wyoming is so rural-- "local" telephone service is a misnomer. Most calls are not local.
- If the monthly cost increases it's possibly required to search for something less expensive. Each year the cost of having a telephone has increased in monthly cost. Retired income does not. Service has not been good when I moved.
- I don't like helping to pay other people's bills or the hearing impaired. We should be allowed to turn down charges on bill for 911--but don't mind paying this because it could help me or mine sometime. Thank you.
- Keep local rates within a reasonable area for retired persons and lower income persons.
- I would like to see affordable monthly service. Low to middle income families can't afford now. U.S.A. seems to be going towards 3rd world country status--only high pay jobs (people in) can afford anything. We shouldn't be forced to have home computers or Internet.

- Cellular is now offering better rates.

Laramie

- People like me who are disabled and trying to live on \$500.00 per month shouldn't have to make choices of going without phone service or paying for gas or electric. In other words, your rates are too damned high!
- Would not want to see local rate too high for low income/elderly people to afford. It is necessary for survival in many instances.
- I think that the rates now are about at the limit which should be charged. Much more, and a cellular phone would be better.
- I have not seen much benefit form deregulation.
- 1. Cost of Cellular is too high for minimum use; 2. Just received a bill for \$95.00 to repair cut telephone cable. Time for repair--20 minutes. This is very costly. Thanks.
- Cell phone rates are now cheaper than the proposed rate from US West.
- Rates must be kept low for fixed income persons/families, especially with northern gas, pacificwest, property taxes, sales taxes on a rampage to increase their profits.
- Watch the cost increase.
- I don't understand - is local service the monthly fee paid to US West?
- Get us out of Sprint.

Powell

- Age 72. Fixed income.
- I don't think rates need to be raised. People on fixed income are usually the elderly and they need local phone service more.
- They are too high, but keep [it] now for safety and convenience. Make very few long distance calls (4 per year) where all the "price was are". Seems a shame to have to drop telephone service because the cost is so high it out weighs the risk for "possible" emergency needs. Also quality and access seems to be getting worse. If finances change TV and telephone are out--one for low use, other for ignorance that is on it.

Rawlins

- They are too high for the service received! If we could we would not condone the prices but because of being on call 24 hrs. a day; it is an essential evil.
- This same survey needs to [be] sent to businesses with multiple location in different phone system exchanges.

- Telephone cost has increased and service has decreased.

Riverton

- State wide competition would help keep rates from skyrocketing and would help to maintain good service.
- I wish my salary would go up as often as rate hikes from telephone and cable TV companies.
- Local charge too high!
- Rates should be kept as cost effective as possible.
- Average person cannot keep up with "all" the raises on public services: water, telephone, gas, electric, etc., taxes, everything goes up except income.
- In Riverton, US West is holding Wyoming.Com hostage by not putting in the proper equipment as they plan to offer Internet access. I don't feel the quality or the quantity of phone service justifies increasing rates.
- Your job as I see it is to see that rates are as low as possible while still retaining service. Caller ID and other services are not available. Why not?!?

Thermopolis

- If prices don't stay down, everyone will go [to] #11.

Torrington

- Rates do not reflect quality of service, i.e. subscribers charged for improvements which are never made. Sprint has not kept up with technology in service. How did areas of Wyoming get tied to out-of-state phone systems. In-state toll free numbers are not available to those customers.
- As a senior citizen on limited income, it is very hard to make ends meet. Yet local service is so very important for us. Thank you.
- Allow AT&T to compete locally.
- I would like to know why we don't have caller ID yet in our area. Also would like our local area expanded to include more cities near us.

Wheatland

- They may be high! Deregulation is a lie. End result as with all other services, cable TV, Air Lines, Gas Service, prices have gone up.
- Rates are too high.

- I feel that the local telephone co. can make a profit and provide a service as good as cellular service or anyone else. The past has shown us that.
- Rates are too high already.
- We can't believe the services that other states have and we don't. I know caller ID is in Wyo., but we can't get it and a lot of other services.

Worland

- The new folks at the phone company in Worland are doing a great job.
- Please try to keep rates down--phones are no longer a luxury.
- They are already approaching a cost which will prohibit people on fixed or low income from having phone service. That is an outrage!!!
- I do not feel that the Public Service Commission is looking out for the interests of the public, they have become spokesman for the industry.
- It makes no sense to mandate cost-based pricing when the local carrier is insulated from competition, so that they have no incentive to provide lower costs.
- I think basic rates are a little on the high side.
- Deregulation means we who are on a limited income with few increases must decide on priorities.

Other

- You made it to where there is a \$375 hook up fee for people that live out in the country, but you don't get all the services that you do in town.
- Phone service is affordable for all in Wyoming. It is too bad the telecommunications industry is no longer a monopoly. The customers were better served!

Appendix C: Region 1

1. Do you currently have telephone service?

yes 106 100.00%

no 0 0.00%

4. From your home, are you able to call hospitals, schools, and other essential services without incurring a long distance charge?

yes 103 99.04%

no 1 0.96%

5 & 8. Based on your income level, at what monthly charge would you no longer subscribe to local telephone service?

\$0-15000 \$20 0 \$15001-30000 \$20 0

\$25 1 \$25 0

\$30 3 \$30 7

\$35 3 \$35 8

\$40 4 \$40 5

Other 2 Other 10

\$30001-60000 \$20 0 \$60001&over \$20 0

\$25 2 \$25 1

\$30 3 \$30 0

\$35 4 \$35 0

\$40 5 \$40 2

Other 10 Other 11

8. At what monthly charge would you no longer subscribe to local service?

\$20 0 0.00%

\$25 4 5.26%

\$30 6 7.89%

\$35 15 19.74%

\$40 16 21.05%

Other 35 46.05%

6. What percentage of your monthly budget is used for local telephone service?

1% or less 32 47.06%

2-5% 23 33.82%

over 5% 13 19.12%

7 & 8. Considering what you currently paid, how much is the difference between that amount and the charge where you would no longer subscribe? ("Other" responses are not included, nor are current charges above \$40.00)

-10 to -15 0 0.00%

-5 to -10 0 0.00%

0 to -5 0 0.00%

0 5 11.63%

0 to 5 20 46.51%

5 to 10 14 32.56%

10 to 15 2 4.65%

15 to 20 0 0.00%

20 to 25 2 4.65%

9. How important to you is local telephone service?

Very important 87 84.47%

Somewhat 16 15.53%

Not important 0 0.00%

::

10. Number in order of your perceived level of importance. (1-low, 5-high)

Score No. Weighted Score

Cable TV 1 21 21

2 14 28

3 33 99

4 23 92

5 8 40

Total 280 19.31%

Score No. Weighted Score

Local phone 1 15 15

2 26 52

3 11 33

4 23 92

5 30 150

Total 342 23.59%

Score No. Weighted Score

Internet 1 39 39

2 8 16

3 7 21

4 9 36

5 23 115

Total 227 15.66%

Score No. Weighted Score

Transportation 1 33 33

2 6 12

3 6 18

4 12 48

5 42 210

Total 321 22.14%

Score No. Weighted Score

Enter/Rec. 1 10 10

2 22 44

3 38 114

4 18 72

5 8 40

Total 280 19.31%

11. Do you see cellular service, e-mail, or the Internet as an alternative
to local telephone service?

yes 44 42.31%

no 60 57.69%

Appendix C: Region 2

1. Do you currently have telephone service?

yes 88 97.78%

no 2 2.22%

4. From your home, are you able to call hospitals, schools, and other essential services without incurring a long distance charge?

yes 84 92.31%

no 7 7.69%

5 & 8. Based on your income level, at what monthly charge would you no longer subscribe to local telephone service?

\$0-15000 \$20 1 \$15001-30000 \$20 3

\$25 6 \$25 5

\$30 5 \$30 4

\$35 2 \$35 1

\$40 2 \$40 3

Other 2 Other 4

\$30001-60000 \$20 0 \$60001&over \$20 0

\$25 1 \$25 0

\$30 7 \$30 0

\$35 4 \$35 0

\$40 7 \$40 0

Other 8 Other 6

8. At what monthly charge would you no longer subscribe to local service?

\$20 4 5.48%

\$25 12 16.44%

\$30 18 24.66%

\$35 7 9.59%

\$40 12 16.44%

Other 20 27.40%

6. What percentage of your monthly budget is used for local telephone service?

1% or less 15 28.85%

2-5% 28 53.85%

over 5% 9 17.31%

7 & 8. Considering what you currently paid, how much is the difference between that amount and the charge where you would no longer subscribe? ("Other" responses are not included, nor are current charges above \$40.00)

-10 to -15 0 0.00%

-5 to -10 0 0.00%

0 to -5 1 2.13%

0 1 2.13%

0 to 5 17 36.17%

5 to 10 21 44.68%

10 to 15 7 14.89%

15 to 20 0 0.00%

20 to 25 0 0.00%

9. How important to you is local telephone service?

Very important 77 85.56%

Somewhat 12 13.33%

Not important 1 1.11%

::

10. Number in order of your perceived level of importance. (1-low, 5-high)

Score No. Weighted Score

Cable TV 1 14 14

2 16 32

3 36 108

4 12 48

5 7 35

Total 237 18.22%

Score No. Weighted Score

Local phone 1 10 10

2 17 34

3 14 42

4 17 68

5 28 140

Total 294 22.60%

Score No. Weighted Score

Internet 1 29 29

2 11 22

3 4 12

4 4 16

5 29 145

Total 224 17.22%

Score No. Weighted Score

Transportation 1 24 24

2 5 10

3 2 6

4 9 36

5 45 225

Total 301 23.14%

Score No. Weighted Score

Enter/Rec. 1 8 8

2 23 46

3 23 69

4 23 92

5 6 30

Total 245 18.83%

11. Do you see cellular service, e-mail, or the Internet as an alternative to local telephone service?

yes 30 32.97%

no 61 67.03%

Appendix C: Region 3

1. Do you currently have telephone service?

yes 147 99.32%

no 1 0.68%

4. From your home, are you able to call hospitals, schools, and other essential services without incurring a long distance charge?

yes 145 98.64%

no 2 1.36%

5 & 8. Based on your income level, at what monthly charge would you no longer subscribe to local telephone service?

\$0-15000 \$20 2 \$15001-30000 \$20 1

\$25 2 \$25 0

\$30 6 \$30 10

\$35 4 \$35 2

\$40 3 \$40 8

Other 2 Other 10

\$30001-60000 \$20 2 \$60001&over \$20 0

\$25 2 \$25 2

\$30 5 \$30 3

\$35 7 \$35 2

\$40 7 \$40 5

Other 18 Other 9

8. At what monthly charge would you no longer subscribe to local service?

\$20 5 4.24%

\$25 6 5.08%

\$30 24 20.34%

\$35 16 13.56%

\$40 25 21.19%

Other 42 35.59%

6. What percentage of your monthly budget is used for local telephone service?

1% or less 37 40.22%

2-5% 43 46.74%

over 5% 12 13.04%

7 & 8. Considering what you currently paid, how much is the difference between that amount and the charge where you would no longer subscribe? ("Other" responses are not included, nor are current charges above \$40.00)

-10 to -15 1 1.61%

-5 to -10 3 4.84%

0 to -5 1 1.61%

0 7 11.29%

0 to 5 19 30.65%

5 to 10 23 37.10%

10 to 15 6 9.68%

15 to 20 1 1.61%

20 to 25 1 1.61%

9. How important to you is local telephone service?

Very important 116 78.91%

Somewhat 26 17.69%

Not important 5 3.40%

::

10. Number in order of your perceived level of importance. (1-low, 5-high)

Score No. Weighted Score

Cable TV 1 12 12

2 36 72

3 47 141

4 24 96

5 18 90

Total 411 19.66%

Score No. Weighted Score

Local phone 1 20 20

2 23 46

3 21 63

4 38 152

5 41 205

Total 486 23.24%

Score No. Weighted Score

Internet 1 68 68

2 6 12

3 13 39

4 7 28

5 31 155

Total 302 14.44%

Score No. Weighted Score

Transportation 1 33 33

2 12 24

3 7 21

4 22 88

5 65 325

Total 491 23.48%

Score No. Weighted Score

Enter/Rec. 1 15 15

2 33 66

3 41 123

4 33 132

5 13 65

Total 401 19.18%

11. Do you see cellular service, e-mail, or the Internet as an alternative to local telephone service?

yes 47 32.19%

no 99 67.81%

Appendix C: Statewide

1. Do you currently have telephone service?

yes 348 98.86%

no 4 1.14%

4. From your home, are you able to call hospitals, schools, and other essential services without incurring a long distance charge?

yes 340 97.14%

no 10 2.86%

5 & 8. Based on your income level, at what monthly charge would you no longer subscribe to local telephone service?

\$0-15000 \$20 3 \$15001-30000 \$20 5

\$25 9 \$25 6

\$30 15 \$30 21

\$35 9 \$35 11

\$40 11 \$40 16

Other 6 Other 24

\$30001-60000 \$20 2 \$60001&over \$20 0

\$25 5 \$25 3

\$30 15 \$30 3

\$35 15 \$35 2

\$40 19 \$40 7

Other 36 Other 27

8. At what monthly charge would you no longer subscribe to local service?

\$20 10 3.66%

\$25 23 8.42%

\$30 49 17.95%

\$35 38 13.92%

\$40 55 20.15%

Other 98 35.90%

6. What percentage of your monthly budget is used for local telephone service?

1% or less 85 39.53%

2-5% 94 43.72%

over 5% 36 16.74%

7 & 8. Considering what you currently paid, how much is the difference between that amount and the charge where you would no longer subscribe? ("Other" responses are not included, nor are current charges above \$40.00)

-10 to -15 1 0.64%

-5 to -10 3 1.91%

0 to -5 3 1.91%

0 14 8.92%

0 to 5 56 35.67%

5 to 10 60 38.22%

10 to 15 15 9.55%

15 to 20 2 1.27%

20 to 25 3 1.91%

9. How important to you is local telephone service?

Very important 288 82.76%

Somewhat 54 15.52%

Not important 6 1.72%

::

10. Number in order of your perceived level of importance. (1-low, 5-high)

Score No. Weighted Score

Cable TV 1 48 48

2 67 134

3 119 357

4 60 240

5 34 170

Total 949 19.19%

Score No. Weighted Score

Local phone 1 46 46

2 67 134

3 46 138

4 81 324

5 101 505

Total 1147 23.20%

Score No. Weighted Score

Internet 1 139 139

2 27 54

3 24 72

4 20 80

5 85 425

Total 770 15.57%

Score No. Weighted Score

Transportation 1 92 92

2 24 48

3 15 45

4 44 176

5 155 775

Total 1136 22.97%

Score No. Weighted Score

Enter/Rec. 1 36 36

2 78 156

3 104 312

4 76 304

5 27 135

Total 943 19.07%

11. Do you see cellular service, e-mail, or the Internet as an alternative
to local telephone service?

yes 124 35.53%

no 225 64.47%

Appendix C: Comparative

1. Do you currently have telephone service?

Region 1 Region 2 Region 3 Statewide

yes 100% 98% 99% 99%

no 0% 2% 1% 1%

4. From your home, are you able to call hospitals, schools, and other essential services without incurring a long distance charge?

Region 1 Region 2 Region 3 Statewide

yes 99% 92% 99% 97%

no 1% 8% 1% 3%

5 & 8. Based on your income level, at what monthly charge would you no longer subscribe to local telephone service?

Region 1 Region 2 Region 3 Statewide

\$0-15000 \$20 0 1 2 3

\$25 1 6 2 9

\$30 3 5 6 15

\$35 3 2 4 9

\$40 4 2 3 11

Other 2 2 2 6

\$15001-30000 \$20 0 3 1 5

\$25 0 5 0 6

\$30 7 4 10 21

\$35 8 1 2 11

\$40 5 3 8 16

Other 10 4 10 24

\$30001-60000 \$20 0 0 2 2

\$25 2 1 2 5

\$30 3 7 5 15

\$35 4 4 7 15

\$40 5 7 7 19

Other 10 8 18 36

\$60001&over \$20 0 0 0 0

\$25 1 0 2 3

\$30 0 0 3 3

\$35 0 0 2 2

\$40 2 0 5 7

Other 11 6 9 27

8. At what monthly charge would you no longer subscribe to local service?

Region 1 Region 2 Region 3 Statewide

\$20 0% 5% 4% 4%

\$25 5% 16% 5% 8%

\$30 8% 25% 20% 18%

\$35 20% 10% 14% 14%

\$40 21% 16% 21% 20%

Other 46% 27% 36% 36%

6. What percentage of your monthly budget is used for local telephone service?

Region 1 Region 2 Region 3 Statewide

1% or less 47% 29% 40% 40%

2-5% 34% 54% 47% 44%

over 5% 19% 17% 13% 17%

::

7 & 8. Considering what you currently paid, how much is the difference

between that amount and the charge where you would no longer subscribe?

("Other" responses are not included, nor are current charges above \$40.00)

Region 1 Region 2 Region 3 Statewide

-10 to -15 0% 0% 2% 1%

-5 to -10 0% 0% 5% 2%

0 to -5 0% 2% 2% 2%

0 12% 2% 11% 9%

0 to 5 47% 36% 31% 36%

5 to 10 33% 45% 37% 38%

10 to 15 5% 15% 10% 10%

15 to 20 0% 0% 2% 1%

20 to 25 5% 0% 2% 2%

9. How important to you is local telephone service?

Region 1 Region 2 Region 3 Statewide

Very important 84% 86% 79% 83%

Somewhat 16% 13% 18% 16%

Not important 0% 1% 3% 2%

10. Number in order of your perceived level of importance. (1-low, 5-high)

Score Region 1 Region 2 Region 3 Statewide

Cable TV 1

2

3

4

5

Total 19% 18% 20% 19%

Score

Local phone 1

2

3

4

5

Total 24% 23% 23% 23%

Score

Internet 1

2

3

4

5

Total 16% 17% 14% 16%

Score

Transportation 1

2

3

4

5

Total 22% 23% 23% 23%

Score

Enter/Rec. 1

2

3

4

5

Total 19% 19% 19% 19%

11. Do you see cellular service, e-mail, or the Internet as an alternative
to local telephone service?

Region 1 Region 2 Region 3 Statewide

yes 42% 33% 32% 36%

no 58% 67% 68% 64%

Appendix D: Public Comments

Public Comments:

Please make any other comments you feel would be beneficial to the Wyoming Public Service Commission regarding local telephone service rates.

Casper

- People in Wyoming cannot afford these higher rates, until they do something with wages.
- People can't afford all these rate hikes. It's time for these companies to live in a budget like every one else.
- I use phone average of 30 times a month (18 calls coming in - 12 out), about \$1.00 every time used. Costly. Very rare long distance, except to V.A. Sheridan Hospital. (WWII vet). T.V. and phone increases all the time--out of line.
- A cafeteria-style selection of additional services rather than a "here it is--take it or leave it" type of service would interest me with a mere affordable rate for individually selected items. The package deals presently available contain at least 2 items I do not want or use.
- If cellular gets cheaper then that would be the way to go.
- Thank you for the work you do for us.
- I feel \$25 to 35 is a reasonable amount to pay for local service.
- Telephones are very important to us-but in later years and fixed income-rising charges on needed things make problems for we seniors-with no thought to discounts. Even enjoyment to TV is hard with their monthly rates. Our monies don't increase.
- These are too high now. Please do not raise rates now. As a public school teacher, I have not been able to keep up with the cost of living.
- I think we had better service at better prices when we had one regulated phone company.
- We are seniors and feel the rates are high enough now on our limited budget.
- The rates are high enough now.
- As a senior citizen I moved to a house better suited to my needs, but I kept the other house because I had a huge amount of materials I had accumulated as I served children as a speech pathologist for over forty years. US West said I could have the same number at both houses until I had the time and energy to move out completely. (I felt it was not safe to be in the house without service.) They said "fine" and charged me an extra \$7+ until recently when they more than doubled my cost. I had no alternative and I am unhappy about it.
- On a fixed income like we have, as retired people, phone service is very high priced.
- Please keep it affordable for all incomes.
- We are retired on fixed income-find that inflation is impossible to keep up with. A phone is a necessity, but not so heavily used.

- All utilities are high. They get raises while working people are cut back or lose their jobs.
- Deregulation in the local phone service arena will result in higher bills just like long distance did.
- Installation fees are too high, but it does help that they are able to break it into payments. Breaking the installation into payments was the only [thing] that encouraged us to get a phone, when we were just starting out and couldn't afford it.
- Not everyone has a cell phone or computer. I know a lot of people who don't have a phone because the deposit is too high.
- This is still the cheapest utility we have.
- Local phone service is a necessity. People will pay a lot for it. The rate should allow the phone company a reasonable return and be set as low as possible cost to the user.
- I feel phone companies should be capped at a 5-10% profit.
- I just don't know where people will be able to keep paying more and more for basic service. There is a saturation point people reach when they can just no longer afford things and that's the point most people won't pay at all. They will just refuse to pay at all.
- The only reason I have a telephone is for emergencies, and the phone company uses that to increase rates.
- The argument for (continual) rate increases is that we need to pay for extending service to outlying areas. The infrastructure is already in place--why are we being asked to pay relatively large increases to extend service to a handful of customers? Those charges are never removed after the extensions are paid for, are they?
- We pay enough for basic telephone services along with all these taxes added to the bill. I don't feel the rate raise is justified at all.
- People on fixed incomes cannot afford 24% increases when we receive on[ly] 2.8% increases in our incomes.
- Please no raise in rates!
- The local and long distance phone bills are so "unbundled" you get many small charges you perceive as small but when put together gets expensive. It's an attempt to put the public to sleep. The long distance bill is also part of the phone bill and I don't generally separate out the local vs. the long distance. It [is] all just a large monthly bill. Tell Alan Greenspan there is inflation because prices keep going up.
- Something has to stop somewhere, it might as well be this.
- Need more competition as US West (worst) currently has monopoly.
- They are on the edge of being too expensive.
- Please don't raise them!
- Local & long distance just seem to keep going up & no real extra benefits/new services in return.

- Currently my local service is charging about \$130.00 to \$178.00/month. Among the fees are a \$20.00 charge for the line. In addition any option added costs more.

Cheyenne

- I feel a raise in rates will be detrimental to low income families.
- Get rid of the after 5 p.m. pests.
- \$35.00 for basic service before a single call is made is boarder line. . . I really don't need a phone if the pricing continues to go up.
- With all the competition for long distance service it seems there is very little local competition which might not lower prices but may keep them from raising in the future.
- I live alone, am 90 years old, and have no experience with computers, etc. I would be absolutely lost in e-mail and internet. My telephone is my link to the outside world.
- Rates O.K. if raised only 2-5% at a time.
- I think rates are really too high right now for something as essential as local telephone service. It's something you just about have to have so I pay for it. Cable T.V. is too high so I do not subscribe to it. This may occur with phone service if it goes higher also.
- I think the rate for basic service is way too high . I do not have any other expanded service and my bill is still around \$30.00.
- Local phone bills should not be a method of taxing. ie. 911 fund, low income assistance, etc.
- The telephone is my means of communication as all my family live out-of-state.
- The basic rates are pretty high so I have to limit long distance calls.
- Quit having telemarketers from each company trying to get your business. It is both annoying and I am sure it costs the company a lot of money.
- The telephone is a nuisance at times when we are harassed by telemarketers. We have caller ID, so we do not answer any unwanted telephone calls. We have considered not having a telephone for this reason.
- Rates continue to increase without parallel increases in service though the reason provided for the increases are generally high tech investments in infrastructure. Rates are low elsewhere with more and better services available.
- I believe its too high.
- I need a telephone for medical purposes. I am a cardiac. I don't think the information I provide will be of any value. It appears money and power-one follows the other-prevails and I have neither.
- We feel getting on Internet should cost more as people tie up phones using it and we suffer because of their low cost and our phone calls so expensive.
- If other companies will be able to compete with the current business, I believe it will help lowering the prices, just by the virtue of competition.

- I do not think one should be charged for installation when moving if you've had phone service either in state or out-of-state.
- Telephone rates should not go up as living on fixed income.
- I feel the resident line rates should stay about the same rate. People who can afford computers, fax machines, etc. should pay for the privilege of using the telephone lines that they tie up for long periods of time. Government and Businesses can raise money to cover these added costs easier than folks on a fixed income.
- I have to have a phone so I can be called to work, but ours is way too high. I believe our service is about double what it should be. 911 etc. cost extra. B.S. on top of all these charges it [is] very unreliable. So many different taxes added on a \$29.95 bill ends up at \$50+ without long distance. Very displeased.
- By using e-mail or the Internet as our local telephone service option, those of us without a computer wouldn't get any services.
- We have often thought how much more we will be able to afford telephone service and how we will get along without it.
- Keep them at below present monthly amount if possible.
- I think they are very high. I hate to think that they will go higher.
- Quit giving increases every time they ask. Make them justify & prove need for increases, such phoney stories that you people buy into is crap. You are not a regulatory agency in any sense of the word. You see to it that the rich get richer and the poor remain poor. Get out of bed with US West.
- Forget the rates, I would just like more reliable phone service. Our phones "blow out" every time we have a storm. That is not acceptable service for \$35.00/month. (25 miles west of Cheyenne)
- US West made an agreement with the Governor, if he approved their rate restructuring they would curtail future rate hikes. Before the ink could dry they requested a rate increase. Now they are apparently requesting another increase. Hold them to their agreement for a minimum of 5 years!
- I don't see anything in this survey related to service or maintenance. In fact I'm surprised I took the time to fill it out.
- With modern conveniences such as the Home Receptionist Telephone System, the services available should not be charged at sky high rates.
- We don't understand why all local services are going up way over 5% when government says cost-of-living is under 3%. We are retired seniors on fixed income, except for Social Security, which has not increased even 3% annually recently. We are losing to actual inflation even if it is denied. How can you help this large group of citizens?
- As long as we can afford it, we would be willing to pay a little more. In case of an emergency a telephone is considered essential.
- We're seniors and need [phone service] to call hospital, doctors, family, etc. so we don't have to get in the car to run to do business. Phones help cut down gas usage. I think rates should be average as most people are middle class, low income and seniors. We all need phone service as much as food and transportation for being able to communicate with having to run and cost

us more for gas, etc.

- I do not understand why we are paying more than people who live in town, because we have the least amount of service. Many times our phone doesn't work through no fault of our own, but yet we get hammered for whatever cost is incurred. (Lives between Cheyenne and Laramie.)
- Please no more surcharges for the sick, lame or cripples. They don't need telephones--please think of your grandparents. They lived and died without an instrument sticking out of their ear(s). (So can we!)
- I do feel the basic rate on phone service is getting too high. They have plenty of other services to collect more money. I do believe people on a fixed income will soon be unable to have a phone.
- We feel \$19.09 for a telephone line is rather exorbitant, especially compared to other parts of the country.
- It is something we have to have but would like it to be same as it is now. Retirees on fixed incomes find it hard to pay for constant increases in services.
- Rates too high!
- Phone service is an absolute necessity. I am 62 and need crutches to get around. I cannot be without a phone.

Cody

- Too high for a monthly charge.
- Good as can be expected--but high.
- Basic rate per month should be no more than \$15/20, compare US West to other companies and you'll see we the consumer is being ripped off!
- \$49.00 per month just to have a phone seems unreasonable to me but we pay more, they tell us, because of the distance [we live] from Cody. I would think \$30.00 per month would be adequate.
- Were it not for the fact that I have to field calls from salespeople and solicitations for various charities, etc, I would check a higher price on [question] #8. [The monthly charge you would no longer subscribe to local phone service.]
- \$3.50/month for Federal Access is too high. Federal Excise Tax and State Tax should *not be charged on services* (total \$1.42/month), only on materials, *not on services*.
- Any increase in present rates would be very unfair to the users in Wyoming.
- When the Federal Government made AT&T and Bell system split that's when things began to increase in price. In the late 1970's my phone bill including use of their phone was approx \$12.00. Now at same residence it is approx \$25.00 using my phone. I pay a phone line maintenance fee every month. I have never had any maintenance done in the 20 years I've lived here! After you pay for basic service (increased) and all the other little charges you have a larger phone bill. I and other people in Cody have our phones ring and have no one on the line when we answer.

- We are a retired couple and feel local telephone charges for service should be ample and not any higher. Really do not wish to change from US West Comm.
- Too high for the service we get. I had to wait over 9 months to get a phone when service had been in the house a month prior. The lines are not clear--.
- Our distance (15 miles) seems to increase our rates substantially. Why are our long distance rates so much higher than surrounding states. Utah for instance.

Douglas

- Deregulation will only INCREASE rates.
- Older people trying to live on Social Security have all they can do to pay at the present time. In this case the Lifeline connected through telephone is vital.
- Without business, local phone service is vital. For others it is important for emergencies, information, and general communication. For those of us who do not have e-mail and/or Internet, we will use our cellular phones if the local costs get too high. As with cable TV rates--if the phone bill gets too high, people will find other ways to communicate and be entertained.
- Why do they have to be so high?
- Local phone service is of vital importance for public safety, business and convenience and rates should remain as low as possible to insure *affordable* service for *all* income levels.
- Please stop the cycle of raising prices for our utilities. Enough is enough! People on fixed income barely make it now. The phone companies have not done anything for the people of Wyoming. *Stop the insanity now!!!*
- US West is currently too high on their basic monthly charge.
- We built our house, my husband put in the phone wire right to the house--phone service was already on the lot and we still had to pay \$375.00 to US West to get service. We refused for several months until our daughter had an emergency and could not reach us. During those months we used the cell phone. US West has no competition and this makes them uncaring about customers.
- I hope that the rates don't go any higher. It's a service everyone needs so I hope it will stay affordable.
- Why should the rates continue to go up? Why?
- [We should be] able to call Casper without a long distance charge.
- Local calls from Douglas should include Casper at no charge.
- Highest rates we've paid anywhere in the U.S.

Greybull

- Be able to access any long distance competition for in state calls and to have Internet access without extra costs.

- We have a very small area we can call toll free and both towns have less than 2,000 population--which isn't much beyond social calling. Most medical and business calls are toll calls. They really have us by the throat.
- Just keep it running smoothly, so when it's needed we'll have it to access.
- Would like to have Internet access without extra charge. [Would like] to have choice of long distance (in state) service.

Lander

- People (such as me) on fixed incomes cannot afford all these raises. I cannot see lowering long distance rates and raising the regular rates to compensate.
- I liked the entire phone system (local & long distance) when it was a monopoly. It sure made it easier, and cheaper to know who was responsible for what--in wire maintenance, etc.
- Keep them down, we are already paying far too much. In state calls should be less also, they are far more than state to state calls. Keep in mind that Wyoming is so rural-- "local" telephone service is a misnomer. Most calls are not local.
- If the monthly cost increases it's possibly required to search for something less expensive. Each year the cost of having a telephone has increased in monthly cost. Retired income does not. Service has not been good when I moved.
- I don't like helping to pay other people's bills or the hearing impaired. We should be allowed to turn down charges on bill for 911--but don't mind paying this because it could help me or mine sometime. Thank you.
- Keep local rates within a reasonable area for retired persons and lower income persons.
- I would like to see affordable monthly service. Low to middle income families can't afford now. U.S.A. seems to be going towards 3rd world country status--only high pay jobs (people in) can afford anything. We shouldn't be forced to have home computers or Internet.
- Cellular is now offering better rates.

Laramie

- People like me who are disabled and trying to live on \$500.00 per month shouldn't have to make choices of going without phone service or paying for gas or electric. In other words, your rates are too damned high!
- Would not want to see local rate too high for low income/elderly people to afford. It is necessary for survival in many instances.
- I think that the rates now are about at the limit which should be charged. Much more, and a cellular phone would be better.
- I have not seen much benefit from deregulation.
- 1. Cost of Cellular is too high for minimum use; 2. Just received a bill for \$95.00 to repair cut telephone cable. Time for repair--20 minutes. This is very costly. Thanks.

- Cell phone rates are now cheaper than the proposed rate from US West.
- Rates must be kept low for fixed income persons/families, especially with northern gas, pacificwest, property taxes, sales taxes on a rampage to increase their profits.
- Watch the cost increase.
- I don't understand - is local service the monthly fee paid to US West?
- Get us out of Sprint.

Powell

- Age 72. Fixed income.
- I don't think rates need to be raised. People on fixed income are usually the elderly and they need local phone service more.
- They are too high, but keep [it] now for safety and convenience. Make very few long distance calls (4 per year) where all the "price was are". Seems a shame to have to drop telephone service because the cost is so high it out weighs the risk for "possible" emergency needs. Also quality and access seems to be getting worse. If finances change TV and telephone are out--one for low use, other for ignorance that is on it.

Rawlins

- They are too high for the service received! If we could we would not condone the prices but because of being on call 24 hrs. a day; it is an essential evil.
- This same survey needs to [be] sent to businesses with multiple location in different phone system exchanges.
- Telephone cost has increased and service has decreased.

Riverton

- State wide competition would help keep rates from skyrocketing and would help to maintain good service.
- I wish my salary would go up as often as rate hikes from telephone and cable TV companies.
- Local charge too high!
- Rates should be kept as cost effective as possible.
- Average person cannot keep up with "all" the raises on public services: water, telephone, gas, electric, etc., taxes, everything goes up except income.
- In Riverton, US West is holding Wyoming.Com hostage by not putting in the proper equipment as they plan to offer Internet access. I don't feel the quality or the quantity of phone service justifies increasing rates.
- Your job as I see it is to see that rates are as low as possible while still retaining service. Caller ID and other services are not available. Why not?!?

Thermopolis

- If prices don't stay down, everyone will go [to] #11.

Torrington

- Rates do not reflect quality of service, i.e. subscribers charged for improvements which are never made. Sprint has not kept up with technology in service. How did areas of Wyoming get tied to out-of-state phone systems. In-state toll free numbers are not available to those customers.
- As a senior citizen on limited income, it is very hard to make ends meet. Yet local service is so very important for us. Thank you.
- Allow AT&T to compete locally.
- I would like to know why we don't have caller ID yet in our area. Also would like our local area expanded to include more cities near us.

Wheatland

- They may be high! Deregulation is a lie. End result as with all other services, cable TV, Air Lines, Gas Service, prices have gone up.
- Rates are too high.
- I feel that the local telephone co. can make a profit and provide a service as good as cellular service or anyone else. The past has shown us that.
- Rates are too high already.
- We can't believe the services that other states have and we don't. I know caller ID is in Wyo., but we can't get it and a lot of other services.

Worland

- The new folks at the phone company in Worland are doing a great job.
- Please try to keep rates down--phones are no longer a luxury.
- They are already approaching a cost which will prohibit people on fixed or low income from having phone service. That is an outrage!!!
- I do not feel that the Public Service Commission is looking out for the interests of the public, they have become spokesman for the industry.
- It makes no sense to mandate cost-based pricing when the local carrier is insulated from competition, so that they have no incentive to provide lower costs.
- I think basic rates are a little on the high side.
- Deregulation means we who are on a limited income with few increases must decide on

priorities.

Other

- You made it to where there is a \$375 hook up fee for people that live out in the country, but you don't get all the services that you do in town.
- Phone service is affordable for all in Wyoming. It is too bad the telecommunications industry is no longer a monopoly. The customers were better served!

RECEIVED
AUG 27 1998
COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION