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# Ratewatcher Phone Guide Vol. 8 July 2001

Maine Public Advocate Office

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# RATEWATCHER PHONE GUIDE

  
BONUS - SPECIAL  
2-PAGE WIRELESS  
PLAN REPORT

VOLUME 8

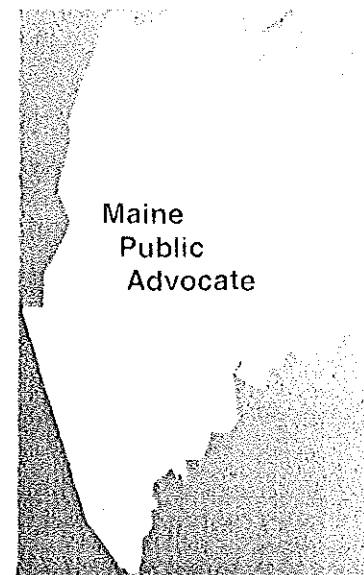
JULY 2001

RATEWATCHER GUIDE

## VERIZON'S LOCAL RATES TO INCREASE AGAIN AFTER CONTROVERSIAL DECISION BY THE PUBLIC UTILITIES COMMISSION

After litigation and hearings, the Public Utilities Commission has approved a 5-year regulation plan for Verizon that allows residential and business rates to increase by \$1.78 per month and that deregulates prices for most of Verizon's services. The Public Advocate opposed any increase and introduced substantial evidence, including the testimony of three expert witnesses, demonstrating that:

- Verizon's losses in the competitive toll market and its decreasing access revenues are small compared to the productivity (efficiency) savings it achieves every year - especially after two huge mergers.
- Verizon's residential customers and most business customers have virtually no competitive choices for local telephone service.
- Without sufficient regulation, Verizon will raise prices well above costs for a host of services not subject to competitive forces.



The Public Advocate believes that the Commission's decision is unfair, particularly to ratepayers. At a time when the costs of providing services are decreasing substantially, the PUC is allowing Verizon to shift costs to local service customers. However, when the Legislature authorized new forms of regulation for telephone companies, it required local rates to be the same or lower than rates that would result from traditional regulation. Despite this law, and over the Public Advocate's strong protests, the PUC refused to examine Verizon's actual costs and revenues. Instead, it accepted unsubstantiated information from Verizon about various financial effects. As of the date of this newsletter publication, we are waiting to see the PUC's written order in this case.

### THE BOTTOM LINE

For customers who make a combination of instate and interstate calls, Norcom and GTC offer attractive rates, especially with credit card billing (GTC) or email billing (Norcom). For customers of independent local telephone companies (not Verizon), consider MCI's Regional Calling Plan for instate calls and OneStar for interstate calls. All customers can make domestic long-distance calls (instate or interstate) for about 4¢ per minute using the Sam's Club/AT&T prepaid calling card or using [www.bigzoo.com](http://www.bigzoo.com). For heavy-offpeak callers, consider Excel's 3-Penny Plan. International callers should look at GFI 800 service.

### THE SURCHARGE CRAZE GETS WORSE

Seizing the opportunity to raise prices by means of bill surcharges without raising *advertised* per minute rates, long-distance companies continue to increase surcharges on phone bills. Now, MCI/Worldcom charges 12% of interstate and international usage as its USF surcharge. Therefore, when you see an advertised rate of 7 cents, think 8 cents; when you see an advertised rate of 15 cents, think 17 cents. The charts on pages 4 and 5 incorporate these charges to make rate comparisons easier. Complaints about surcharges or other problems with interstate long-distance telephone companies may be sent to the FCC at 445 12th St., S.W., Washington, DC 20554.

Look for information on Internet Service Providers in the next issue.

## HOW TO PAY \$5 PER MINUTE WITHOUT EVEN TRYING

Almost every week, the Public Advocate hears from a customer who finds an unpleasant surprise in his or her phone bill. In some cases, just a few short calls have resulted in a long-distance bill of over \$100. There are several common mistakes that can result in such huge toll charges.

**1. Old Calling Cards** - Many people still have old AT&T or New England Telephone calling cards that were issued before the breakup of AT&T in the early 1980s. While these cards are still honored by telephone companies, it's not always clear which telephone company is actually carrying the call. For example, if you make an interstate call using a New England Telephone card, that call will most likely be carried by AT&T. Similarly, if you use an old AT&T card and make a call within Maine, it may be that Verizon will carry that call. (Verizon-Maine is one of the pieces of the old AT&T). In those and many other cases involving old calling cards, the rate applied to your call will likely be among the highest rates charged. These rates are commonly known as default rates – the rates that are charged to customers who apparently made no attempt to find a competitive rate. It's not unusual to incur a charge of \$4.99 per minute plus a high per-call surcharge when using an obsolete calling card.

**What to do** - For calls away from home, buy a low-cost prepaid calling card, such as the AT&T card sold at Sam's Club stores -- priced at 4.1 cents per minute -- or buy calling minutes on the Internet at a site such as [www.bigzoo.com](http://www.bigzoo.com) at 3.9 cents per minute. If you prefer a traditional calling card, don't use the cards sold by the big long-distance and local carriers. Look for cheaper alternatives, using the chart on pages 4 and 5. Some companies offer their low-cost calling cards without requiring that you subscribe to their other phone services.

**2. Operator Assisted and Collect Calls** - Any call that involves assistance by a live operator is likely to cost you plenty. This can happen when you dial "0", when you accept a collect call, when you allow direct assistance to dial your call, or when you use a payphone connected to an operator service (commonly in hotels or other private buildings). Recently, a customer in Maine was billed \$15.13 by AT&T for a single person-to-person call lasting 1 minute and 53 seconds.

**What to do** - Avoid dialing "0". Use your calling card by dialing the 800 number of the carrier who issued the card. Ask friends and family to avoid calling collect – instead provide them with a prepaid or regular calling card.

**3. Unintentional Computer Modem Calls** - Beware of Internet web sites that automatically dial international calls when you click on a link. You may not even be aware when an innocent mouse click results in your Internet connection being replaced with a modem-dialed connection to an international number. Unfortunately, even legitimate phone companies were sometimes involved in such scams. In one case, a pornography web site link causes your computer modem to dial a number allocated to Madagascar in Africa. The resulting phone charge of as much as \$3.99 per minute was split between the operator of the web site and companies such as AT&T and Sprint who may have carried and billed for those calls. More recently, unscrupulous "adult" web site operators have billed consumers directly by capturing the phone number of the modem-dialed call through "Automatic Number Identification", a process similar to caller ID. These modem calls are not blocked by 900 or 936 number blocking.

**What to do** - Be careful when you use an untrustworthy Internet site, especially those dealing with pornography, astrology or other marginal "services". Read the fine print on web sites before clicking "I Accept". Make sure teenagers in your household know how to recognize that the modem is dialing out and know how to turn it off. If you are billed for such calls that you did not intentionally make, don't pay the bill – make complaints to the billing company, to the Federal Communications Commission, and to the Federal Trade Commission. (continued on page 3)

4. **International Calls** - Prices for international calls vary dramatically. If you make an occasional call to a foreign country by dialing direct, you may find that your presubscribed phone company charges a very high rate to that country. For example, an AT&T customer may be charged \$2.57 per minute for a call to Madagascar (or \$3.95 per minute using AT&T's Lucky Dog 10-10-345 dial around service) while a rate of 36 cents per minute is available from another pay-per-call (dial around) carrier.

**What to do** - Research rates before making an international call if you're not familiar with the rate for the country you're calling. For countries not featured in the Ratewatcher Guide, international rates can be found on the Internet at sites such as [www.abtolls.com](http://www.abtolls.com) or the websites of individual telephone companies. For many countries, the lowest rate may be had by signing up for a dial around service such as GFI 800 service (application by FAX - 1800 350-1336 or email [dseldon@home.com](mailto:dseldon@home.com)). Computer savvy customers may also consider IP (Internet Protocol) programs that allow cheap or even free calls over the Internet using your computer's sound card, microphone and speakers. (For example, [www.dialpad.com](http://www.dialpad.com), [www.net2phone.com](http://www.net2phone.com) or [www.speakfreely.org](http://www.speakfreely.org)). Only Speakfreely is entirely free even for international calls but it requires modem to modem conversation - not modem to phone.

5. **Accessing an Internet Service Provider Beyond Your Local Calling Area** - Always be certain that your computer is dialing a local number when you begin to use a new Internet Service Provider. Many customers have received bills for hundreds or thousands of dollars based on per-minute long-distance charges caused by long periods of Internet use.

**What to do** - Be sure you access the Internet using a local or toll-free number. Beware that some ISP's charge per minute rates when you use their toll free numbers.

### SHOPPING SHORTCUTS

Low-Volume (Few calls each month)	→	GTC, VarTec, Prepaid Calling Cards, 10-10 Numbers
High-Volume (Over 500 minutes each month)	→	Sprint 1000 plans, GTC, Norcom
Only Instate Calls	→	Norcom, MCI (Regional Calling Plan), GTC, Verizon (Pine Tree Plan)
Only Interstate Calls	→	GTC, Norcom, ECG, IDT
Calling Card Calls	→	One Star, Prepaid cards under 5¢/min. (Sam's Club/AT&T)
International Calls	→	VarTec, GFI 800 (dial around)
Many Calls Under 5 minutes	→	Norcom, IDT, One Star
Few Calls Under 5 minutes	→	VarTec
Many Night and Weekend Calls	→	Sprint 1000 Nights, MCI/Worldcom, Excel Three Penny Plan

### MAINE REMAINS A ONE AREA CODE STATE - AT LEAST UNTIL 2005

Thanks to the timely and aggressive efforts of the Maine PUC, the depletion of numbers under 207 has substantially decreased. Although the official new exhaust date is October, 2005, we expect that all Mainers will have the 207 area code well beyond that date.

# SAMPLING OF RESIDENTIAL LONG-DISTANCE TELEPHONE RATES AS OF JULY 2001

COMPANY FEATURED PLAN	AT&T*		Excel		GTC		IDT		MCI WorldCom		Norcom	
	One Rate 7c Plan		Simply More		5c Plan II		5 Cents Plan		12c Any Time Plan		Coastal Connections	
	Instate	Interstate	Instate	Interstate	Instate	Interstate	Instate	Interstate	Instate	Interstate	Instate	Interstate
PER MINUTE RATE (including percentage-based surcharges)	8c	7.693c	8c	7c	8c	5.415c	9c	5.295c	7c	13.44c	5.9c	6.189c
Minimum	None		None		None		None		\$5.00		None	
Monthly Fee	\$4.38*		\$4.50		None*		\$4.22		None		None*	
CALLING CARD RATES												
- Rate Per Minute	82c	98.701c	15c	15c	None	None	10c	10c	55c	77.97c*	14.9c	15.77c
- Additional Charge Per Call	\$1.15	\$1.25	None		N/A				89c	\$1.41	None	
**DIR. ASSIST. CHARGE PER CALL	3 free/40c	\$1.25	3 free/40c	\$1.25	3 free/40c	85c	3 free/40c	\$1.25	3 free/40c	\$1.25	3 free/40c	95c
Number of Dial for Lowest Cost Directory Assistance	411		411		411	( )+555-1212	411		411		411	( )+555-1212
SAMPLE MONTHLY COSTS: Includes 50% instate/50% interstate minutes (50% peak, 50% off-peak) and monthly fees. Totals do not include directory assistance, calling card calls or international calls.												
LOW @ 10 mins. per month	\$5.16		\$6.69		67c		\$4.93		\$5.00		60c	
MEDIUM @ 100 mins. per month	\$12.22		\$13.44		\$6.70		\$11.37		\$10.22		\$6.04	
HIGH @ 500 mins. per month	\$43.61		\$43.44		\$33.53		\$39.96		\$51.10		\$30.22	
HIGHEST @ 1,000 mins. per month	\$82.84		\$80.94		\$67.07		\$75.69		\$102.20		\$60.44	
INTERNATIONAL RATES												
Canada	7.693c		7c		9.747c		9.531c		7.84c**		15.63c	
UK	9.891c		10c		10.83c		9.531c		11.2c		12.58c	
France	16.485c**		17c		16.245c		13.767c		19.04c		19.93c	
Germany	16.485c**		17c		16.245c		13.767c		19.04c		20.98c	
Japan	15.386c		13c		17.328c		14.826c		29.12c		37.76c	
UNIVERSAL SERVICE CHARGE (% included in per-minute rates)	9.9%		\$1.44		8.3%		5.9%		12%		4.9%	
To Subscribe, Call:	1(800)222-0300		1(800)875-9235		1(800)486-4030		1(888)802-0082		1(800)444-3333		1(888)262-7864	
ADDITIONAL DETAILS AND ALTERNATIVE PLANS	*Monthly fees drop by \$1 with on-line billing.		Simply More subscribers can receive a personal 800/8XX number with no monthly service fee. The inbound rates is 15c per minute.		*\$1.95 monthly fee applies unless customer agrees to credit card billing.		6-second billing.		"Regional Calling Plan" offers 5c/minute instate, 13.44c/minute interstate with \$3.00/month fee.		Norcom sells its service only through agents. The number listed belongs to Coastal Connections, which appears to offer the lowest Norcom rates.	
*411 instate Directory Assistance 3 free plus 40c for each additional.	No fee basic plan is 17.5c/minute for instate and interstate.								MCI WorldCom offers other plans with lower interstate rates and higher monthly fees.		*Monthly bill must meet or exceed \$20.00 or a \$3.95 service charge will apply (waived if bill is e-mailed).	
Interstate Directory Assistance by Verizon (411) is \$1.25. Area Code + 555-1212 rate is listed only where lower than \$1.25.	5c interstate weekend rate available for additional \$1 per month.		Off-peak callers should consider Three Penny Plan - 3c/minute evenings - 10c/day - \$5.95 per month.								6-second billing and 30-second minimum per call.	
											Same rate available for business customers.	

**NOTE:** Per minute rates and monthly fees include the percentage surcharge applied by each company for its universal service surcharge.

## SAMPLING OF RESIDENTIAL LONG-DISTANCE TELEPHONE RATES AS OF JULY 2001

COMPANY	OneStar		Sprint		VarTec		Verizon	Qwest	
FEATURED PLAN	Meridian		Sprint 1000 Anytime Anywhere		Fiveline Service		Pine Tree State Service	"5c Plan"	
	Instate	Interstate	Instate	Interstate	Instate	Interstate	Instate Only	Instate	Interstate
PER MINUTE RATE (including percentage-based surcharges)	8.81c	7.583c	1000 minutes included** 10c 10.99c		5c	5.341c	9c first 60 minutes - 8c each additional minute	7c	5.495c
Minimum	\$3.00		None		50c per call		\$5.40*	None	
Monthly Fee	\$1.05		\$60.99		None		None	\$4.38*	
CALLING CARD RATES									
- Rate Per Minute	13.9c	15.415c	69c	76.52c	20.497c/minute + \$1.95/month*		If you call 1-800-255-CALL, rate is 15c/min. instate at all times***	69c	76.52c
- Additional Charge Per Call	20c		99c		None		75c***	\$1.25	
**DIR. ASSIST. CHARGE PER CALL	3 free/40c	\$1.25	3 free/40c	\$1.25	3 free/40c	\$1.25	3 free/40c each additional call	3 free/40c	\$1.25
Number of Dial for Lowest Cost Directory Assistance	411		411		411		411	411	
SAMPLE MONTHLY COSTS: Includes 50% instate/50% interstate minutes (50% peak, 50% off-peak) and monthly fees. Totals do not include directory assistance, calling card calls or international calls.									
LOW @ 10 mins. per month	\$4.05		\$60.99		\$1.03 to \$5.17**		\$5.40**	\$5.00	
MEDIUM @ 100 mins. per month	\$9.25		\$60.99		\$5.17 to \$51.70**		\$8.60	\$10.62	
HIGH @ 500 mins. per month	\$42.03		\$60.99		\$26.25 to \$258.53**		\$40.60	\$35.61	
HIGHEST @ 1,000 mins. per month	\$81.97		\$60.99		\$51.71 to \$517.05**		\$80.60	\$66.85	
INTERNATIONAL RATES									
Canada	12.08c		7.693c		5.344c (10 min. minimum)			9.891c	
UK	10.99c		10.99c		10.688c			10.99c	
France	16.48c		17.564c		12.825c			17.584c	
Germany	15.38c		17.584c		12.825c			17.584c	
Japan	20.88c		14.287c		16.032c			17.584c	
UNIVERSAL SERVICE CHARGE (% included in per-minute rates)	9.9%		9.9%		6.8823%		None - no interstate service	9.9%	
To Subscribe, Call:	1(800)482-0000		1(800)877-4646		1(800)583-8811		1(800)585-4466	1(800)860-2255	
ADDITIONAL DETAILS AND ALTERNATIVE PLANS	Monthly fee is waived if usage exceeds \$50.00, or a 1-year agreement is signed.		High-volume users should consider "Sprint 1000" plans: >1000 interstate night minutes - \$20/month >1000 interstate weekend minutes - \$20/month >1000 interstate anytime minutes - \$40/month >1000 night instate and interstate - \$30/month plus Internet access  *For \$8.95/month, Sprint offers 5c/min. nights & weekends instate and interstate.  **Minutes exceeding 1000 are priced at 10c.		Higher calling card rates apply with no monthly fee.  Other more conventional rate plans also available.  **Sample monthly costs: each minimum based on 10 minute calls; each maximum based on 1 minute calls. Cost depends on average length of calls.		*Low volume customers should consider Sensible Minute Plan at 10c per minute with no monthly minimum or fee.  **Totals do not reflect monthly costs associated with an interstate plan which is also required by most customers -- totals assume all calls are within Maine.  ***Regular calling card rate is 58c per call plus time of day and distance sensitive per minute rates.	*Includes \$2.00 discount for online billing or credit card billing.	
*411 instate Directory Assistance 3 free plus 40c for each additional.  Interstate Directory Assistance by Verizon (411) is \$1.25. Area Code + 555-1212 rate is listed only where lower than \$1.25.									

## DIRECTORY ASSISTANCE – THE WAY LIFE SHOULD BE?

Finding a Maine telephone number is still relatively cheap compared to national directory assistance (DA) services that charge as much as \$1.99 per call. To get a Maine telephone number from Verizon, the cost is 40 cents per call after an allowance of 3 free DA calls. This rate applies whether you dial 411, 555-1212, or 207 555-1212, because all three numbers reach Verizon's DA service. (This may not be true in every independent local telephone company area). However, getting a number in another state is more complicated. If you dial 411, you'll get Verizon's national directory assistance service now priced at \$1.25 per request. AT&T's 00 INFO will cost \$1.99 per request (but don't let AT&T dial the call for you unless you are subscribed to AT&T and know the rates). If you dial the area code plus 555-1212, you will be billed for DA by your presubscribed long-distance company, at the rates listed on pages 4 and 5.

If you have access to the Internet, you have access to free directory assistance. Try the following web sites: <http://worldpages.altavista.com/whitepages/>, <http://www.who哪里.lycos.com/Phone>, <http://people.yahoo.com/>. You can even find a name and address from a phone number at [www.reversephonedirectory.com](http://www.reversephonedirectory.com). A list of many other DA web sites can be found on the Public Advocate's web site – [http://janus.state.me.us/meopa/directory\\_assistance.htm](http://janus.state.me.us/meopa/directory_assistance.htm)

### THE COST OF PUTTING YOUR PHONE ON VACATION

If you own a seasonal home or travel for extended periods, you have three choices – you can continue to pay the full monthly charge, you can pay to temporarily suspend your service, or you can



discontinue service. Not surprisingly, keeping your service active is the most expensive option because you pay the full monthly charge even if you make no calls in a given month. If you choose to suspend your service, you will pay \$32 plus half of your normal monthly service rate (plus surcharges). Since you'll pay \$32 in order to save about \$10 per month, it would not be economical to suspend your service unless your absence will last four months or more. Another option is to simply discontinue service – while discontinuing service is free, you'll lose your existing telephone number unless it still happens to be available when you decide to resume service. And you'll pay \$44.75 for a new installation fee (Lifeline customers pay \$10).

### WHAT ABOUT LOCAL SERVICE COMPETITION?

So far, Verizon's residential and small business local service customers have few options. One Star Long Distance resells Verizon's service at discounts ranging from 5% to 12.5%. Time Warner offers Line Runner cable telephone to some customers in Portland and Presque Isle. Customers of independent rural local telephone companies have no local service alternatives. However, for some customers, wireless phone service is a viable option. See pages 8 and 9 for a sample of current wireless plans.



### WATCH OUT FOR NEW (OPTIONAL) "SINGLE BILL" SURCHARGE

Long-distance companies, including AT&T, MCI, and Sprint have begun to charge \$1.50 per month to customers whose long-distance charges appear on their local phone bill. To avoid this charge, customers may switch to another long-distance company, or call their existing long-distance company to arrange for a separate long-distance bill or on-line billing. The Public Advocate believes that surcharges for specific costs are deceptive because they are rarely disclosed in advertised rates and because surcharges make it difficult to compare rates offered by different companies. However, no law prevents such anti-consumer pricing strategies.

## ALTERNATIVE WAYS TO CALL

Low-volume customers should consider terminating their pre-subscribed long-distance service. This may save money at the cost of less convenient calling. If you have access to the Internet, you can purchase prepaid calling minutes at 3.9¢ per minute from [www.bigzoo.com](http://www.bigzoo.com) or [www.net2phone.com](http://www.net2phone.com). If you have access to Sam's Club or other large discount stores, you may find calling cards from AT&T and others priced as low as 4.1¢ per minute. Computer to computer calls can be made for free anywhere in the world using Speakfreely ([www.speakfreely.org](http://www.speakfreely.org)) and other similar free programs.

						NEW			
Number	10-10-345	10-10-432	10-10-297	10-10-457	10-10-399	GFI-800	10-10-220	10-10-321	10-10-811
Company	AT&T Lucky Dog	Qwest	Excel	Excel	Excel	World Access	MCI/ WorldCom	MCI/ WorldCom	VarTec FiveLine
DOMESTIC									
Interstate Rate	15¢/min. plus 15¢/call	16¢/min. peak 16¢/min. off- peak - 3 min. minimum	10¢/min.	10¢/min. peak 4¢/min. off- peak 5 min. minimum	90¢ for first 10 min. then 5¢/min.	6.9¢/min.	99¢ for first 20 min. then 7¢/min.	18¢/min. under 10 min. 9¢/min. over 10 min.	50¢ for first 10 min. then 5¢/min.
Instate Rate	Same as interstate	30¢/min. peak 25¢/min. off- peak - 3 min. minimum	20¢/min.	16¢/min. 80¢ mini- mum	\$2.00 for first 10 min. then 18¢/ min.	6.9¢/min.	Same as interstate	up to 54¢/min. for daytime calls under 10 min.	Same as interstate
INTERNATIONAL									
Canada	8¢/min.	39¢/min. peak 33¢/ min. off- peak - 3 min. minimum	10¢/min.	9¢/min. 45¢ mini- mum	99¢ for 10 min. then 7¢/min.	8.78¢/ min.	99¢ for 20 min. then 7¢/min.	20¢/min. under 10 min. 10¢/min. over 10 min.	5¢/min. 50¢ mini- mum
UK	22¢/min.	\$1.21/min. 3 min. minimum	11¢/min.	10¢/min. 50¢ mini- mum	\$1.10 for 10 min. then 9¢/min.	7.97¢/ min.	\$1.99 for 10 min. then 19¢/min.	67¢/min. under 10 min. 34¢/min. over 10 min.	10¢/min.
France	19¢/min.	\$1.49/min. 3 min. minimum	23¢/min.	21¢/min. \$1.05 minimum	\$2.30 for 10 min. then 21¢/ min.	10.14¢/ min.	\$1.99 for 10 min. then 19¢/min.	67¢/min. under 10 min. 34¢/min. over 10 min.	12¢/min.
Germany	22¢/min.	\$1.39/min. 3 min. minimum	27¢/min.	20¢/min. \$1.00 minimum	\$2.30 for 10 min. then 21¢/ min.	9.86¢/ min.	\$1.99 for 10 min. then 19¢/min.	67¢/min. under 10 min. 34¢/min. over 10 min.	12¢/min.
Japan	13¢/min.	\$1.62/min. 3 min. minimum	27¢/min.	25¢/min. \$1.25 minimum	\$2.70 10 min. then 25¢/ min.	10.52¢/ min. to 13.04¢/ min.	\$1.19 10 min. then 9¢/min.	68¢/min. Under 10 min. then 34¢/min.	15¢/min.
*UNIVERSAL SERVICE FUND SURCHARGE (USF) & CUSTOMER SERVICE #'s									
USF*	15¢/call	6.85%	\$1.12/mo.	\$1.12/mo.	\$1.12/mo.	0% USF	12% USF	12% USF	75¢/month
Customer Service	1-800 317-2657	1-877 825-5432	1-800 787-7887	1-800 787-3333	1-888 399-0002	1-800- 350- 1336*	1-800 728-6161	1-800 728-6161	1-800 363-2789

\*Ask for GFI form, must sign up prior to use.



## ARE INDEPENDENT TELEPHONE COMPANY CUSTOMERS SECOND CLASS CUSTOMERS?

If you are served by one of Maine's 23 independent rural local telephone companies, you have two disadvantages and one advantage. The advantage is that your monthly local rate has generally been lower than that of the average rate for a Verizon customer. But the PUC is now in the process of allowing local rate increases for independent companies in exchange for reductions in access rates that are paid by long-distance companies.

One disadvantage is that customers of independent local companies generally have smaller toll-free calling areas. The second disadvantage is that independent telephone company customers have fewer long-distance options because many of the companies that offer the best long-distance rates have refused to make their services available in independent territories. Long-

distance companies may withhold service because it takes extra effort to make separate arrangements to provide service in each local territory that has relatively few customers. In addition, it is currently more costly to provide long-distance service through independent local telephone companies because the access charges of those companies are currently higher than those of Verizon. For those reasons, some companies charge higher rates in independent areas. For example, Norcom may be available at 8.5¢ per minute instead of 5.9¢ per minute for rural customers making an instate call. In addition to regular presubscribed phone service, many popular "dial around" numbers are unavailable in independent territories. However, that problem can be avoided -- a low-priced prepaid calling card (as low as 3.9 cents per minute) will work anywhere and generally provides a better rate than dial-around services. Before shopping for a new long-distance provider or dial around service, call your local telephone company for a complete list of available long-distance options.

### SHOPPING FOR WIRELESS PHONE SERVICE

Shopping for a wireless service can be even more confusing than shopping for long-distance telephone plans. In addition to the usual task of selecting from a number of plans offering different rates and terms, shopping for a wireless service requires that you understand where you will be roaming, where long-distance charges apply, how many minutes will you'll be likely to use each month, and which phone to select. You'll also have to figure in any installation or activation fee as well as the cost of the phone. Since you will probably be required to sign up for a one-year plan, and because the phone itself is usually offered as part of the deal, the best way to compare services is by computing the anticipated annual cost of each plan. It probably makes little sense to sign up for more than a year because prices are generally falling. Low-volume users should consider a prepaid option to avoid monthly charges and to avoid paying for unused minutes. Prepaid plans allow purchase of blocks of minutes without monthly service bills.

The first hurdle is to figure out the number of minutes per month that you expect to use during weekdays and during nights and weekends. Many plans offer a limited number of daytime minutes plus many "free" night and weekend minutes. Once you've determined how many minutes you're likely to use, you must also determine where you will be calling, and if you frequently travel, where you will be. Typically, a plan will offer an area that is free of roaming and long-distance charges and a wider area that is free of roaming charges but not long-distance charges. (Roaming charges can be as high as \$.99 per minute and long-distance charges are typically about \$.15 per minute). If you use many minutes, look for a plan that offers toll-free and roaming-free minutes in your area of use. Some plans offer national toll-free and roaming free service.

When figuring the total cost of a given plan, deduct any savings that you may enjoy by avoiding regular long-distance minutes or the cost of a second line at home. However, few customers regard wireless service as a substitute for normal telephone service. Disadvantages of wireless services include sound quality (depending upon local conditions), the inability to have extension phones at home, questions about health risks (still an open questions subject to ongoing research), and less reliable access to emergency services (e.g., 911).

Consider an ear-piece/microphone set as an accessory (about \$20). It frees your hands (continued on page 9)



to make driving safer and may reduce your exposure to radio waves. But at least one article asserts that it could, in some circumstances, increase radio wave exposure.

Although three web sites appear to offer unbiased information about wireless phones and plans, (www.point.com, www.getconnected.com, and www.telebright.com) they offer limited, if any, coverage of plans available in Maine. Therefore, the Public Advocate has compiled details of some of the major plans available in Maine. As with regular phone service, always confirm rates and ask about current promotions before you sign up. Also be sure to ask about the penalty imposed if you terminate a plan before its expiration.

**SAMPLE OF WIRELESS PHONE PLANS** - - Unless otherwise noted, all plans require a one-year contract, with penalties for early termination. Featured plans are for lower volume usage - - higher volume customers should ask about other options.

**BEWARE** - Wireless service rates, terms, and promotions change frequently and are not regulated by any agency of the state of Maine. Not all plans are available in all areas in Maine and national service coverage may vary.

Company	Monthly Price	Monthly Minutes Included	Phone	Toll Free/Roaming Free Area	Toll Rate	Roaming Rate
AT&T 800-IMAGINE	\$29.99	250 (40¢ per additional min.)	\$49 - \$200	ME, NH, MA, CT, NY, RI, MD, DE and parts of PA	15¢	60¢
Sprint PCS - National Plan	\$29.95	180 (40¢ per additional min.)	Free digital phone	National	0	0
Sprint PCS - National Plan	\$34.99	200 peak/1000 offpeak (40¢ per additional min.)	Free digital phone	National	0	0
Unicel (Sam's Club Special)	\$10.00	Zero monthly minutes (10¢ per minute within ME)	1¢	Most of Maine	25¢	60¢
Unicel - 1 Region Plan (Sam's Club Special)	\$30.00	250 peak/1000 offpeak (30¢ per additional min.)	Free phone	ME, NH, VT, MA and upstate NY	25¢	60¢
Unicel - Simply 1 Rate Plan (Sam's Club Special)	\$29.95	120 peak/1000 offpeak (35¢ per additional min.)	Free phone	Lower 48 states and parts of Canada	0	0
US Cellular 1-888-944-9400	\$29.95	200 peak/1000 offpeak (35¢ per additional min.)	\$19.95	ME, NH, MA, VT	10¢ - 25¢	50¢
US Cellular 1-888-944-9400	\$25.00	150 peak (35¢ per additional min.)	\$20 - \$200	ME, NH, VT, MA, CT, NY, RI and NJ	10¢ - 25¢	50¢
Verizon - Northeast Single Rate 1-888-466-4646	\$35.00	300 (40¢ per additional min.)	\$20 - \$500	ME, NH, VT, MA, RI, CT, NY, NJ, PA, MD, DE, DC & Northern VA	30¢	60¢
Verizon - Coast-to-Coast Single Rate	\$35.00	150 (40¢ per additional min.)	\$99 - \$500	US—except parts of Alaska	0	0

#### PREPAID WIRELESS PLANS

Company	Initial Setup Cost w/Phone	Cost Per Minute	Expiration of Prepaid Minutes	Minimum Recharge	Plan Details
AT&T - Prepaid Advantage	\$100.00	15¢-35¢ - local plan (roaming 85¢) 25¢-65¢ - national plan - depending on # mins. purchased	90 days	\$25.00 - phone number forfeited 60 days after minutes expire	Local = coastal ME & NH - Recharges range from \$25-\$200
Verizon - National Prepay Wireless	\$125.00	33¢ (60 initial minutes)	60 days	\$30.00 - Phone number forfeited 60 days after minutes expire	Available in Auburn, Bath, Brunswick, Portland
US Cellular—Talk Tracker	\$80.00 - \$130.00	35¢ ME north of Augusta & NH 60¢ elsewhere	60 days	\$10.00 - Phone number forfeited 60 days after refill	Check local coverage

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## NEW INTERNET SERVICE OPTIONS FOR MAINE CUSTOMERS

Since the day that the Internet was invented by Al Gore, rural customers in Maine have had to choose an Internet Service Provider (ISP) within their local calling area in order to avoid expensive toll charges. In some cases, there was none to choose from. Those days may soon be over thanks to a brand-new service called PRL-Hub service. This new service will allow any person in Maine to dial a special toll-free number beginning with 500 to connect with any ISP that participates in that service. ISPs will need to make special arrangements with their phone company for construction of facilities that enable them to take advantage of this new system. Some of the financial and technical details are still being worked out. For a list of participating ISP's and updates on the availability of this service, check our web site (<http://janus.state.me.us/meopa>), call our office, or call the PUC.

## ABOUT THE PUBLIC ADVOCATE'S OFFICE

Stephen G. Ward, the Public Advocate, and his staff of eight represent Maine's telephone, electric, gas, and water customers before the Maine Public Utilities Commission, the courts, and federal agencies. Our mission is to work for reasonably priced, safe, and reliable utility services for Maine people.