

Number portability

Local number portability enables you to keep your existing telephone number (at the same location) if you change your local phone company. The Local



Telephone Number Portability Charge, or Number Portability Service Charge, is usually a small, fixed monthly fee. The FCC allows local telephone companies to bill monthly for this. It allows them to recover costs for providing local number portability service, which must actually be available before you can be charged for it. The fee can only be effective for a maximum of five years from the date it was first imposed. Local telephone companies cannot charge this fee to customers on the Lifeline Assistance Program.

Single bill fee

If you receive local and long-distance service from two separate providers and are billed for both services on one telephone bill, you may be charged a fee for this billing convenience. You can avoid being charged this fee by signing up for local and long-distance with the same company or by requesting separate billings for local and long-distance service.

Extended Area Service

Extended Area Service (EAS) provides non-toll calling to neighboring local telephone exchanges for a minimal monthly fee. It may appear on your phone bill as an EAS sur-

charge, or it may be included in the basic rate for local telephone service. Traditional EAS is approved by a 65-percent minimum favorable vote of local telephone company subscribers, and all subscribers must pay for it. Some EAS plans have been eliminated in recent years as the cost of long-distance communications through other means has decreased.



Iowa E-911 surcharge

Many Iowa counties assess an E-911 wireline surcharge to telephone customers. Local phone companies collect the E-911 charge through monthly billing. County E-911 service boards are empowered to establish the local surcharge up to a monthly maximum of \$1. All funds help upgrade and improve the state's E-911 system.

Contact your carrier

Always read your telephone bill before paying it. If you don't understand something, call your carrier and ask for an explanation of your bill. Your carrier should be able to explain any of the multitude of fees and charges that can show up on your bill. If you have additional questions, call the IUB at 1-877-565-4450.

Iowa Utilities Board

Toll-free: 1-877-565-4450

Local: (515) 281-5500

Email: customer@iub.gov

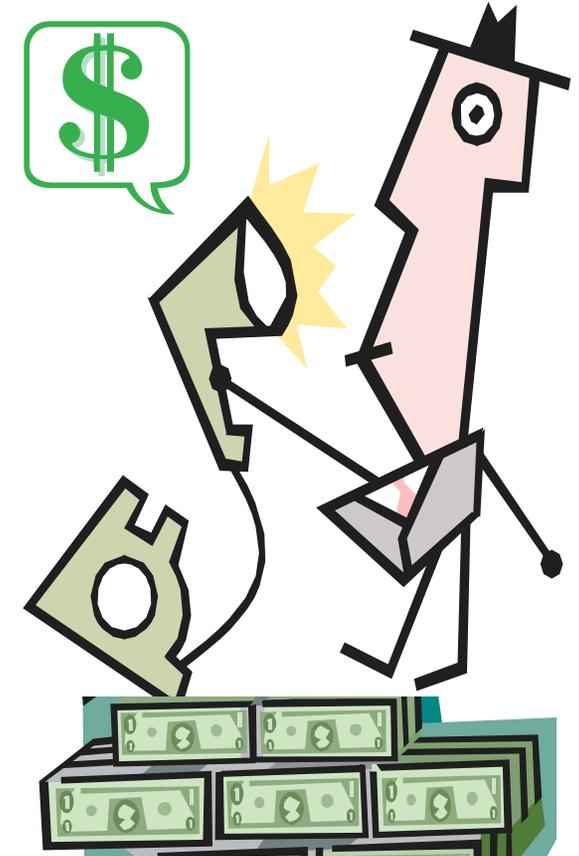
Internet: www.iub.gov

315 North East

Des Moines, Iowa 50319



Understanding fees on your telephone bills



Identify what you
are paying on
your telephone bill

Look closely

Identify billing mistakes to save money. Examine your monthly bill closely. Although telephone bills vary between companies and can be confusing, some common charges (often under different names) are easily identifiable.



You have choices

Examples of fees that are carrier-specific are Universal Service Fund (USF) charges, Monthly Service charges, and Monthly Minimum Usage charges. These fees raise competitive pricing issues between carriers and plans.

Universal Service charge

This may appear on your bill as Universal Service Charge, Universal Service Fund (USF) Charge, Carrier Universal Service Charge, Federal Universal Service Fund Surcharge, or Universal Connectivity Charge. The Federal Communications Commission (FCC) requires all companies providing telephone service between states to participate. The USF helps ensure affordable access to telecommunications services for low-income customers and provides telecommunications subsidies for libraries, schools, and rural health care providers in

areas where the cost of providing telecommunications services is very high. All interstate telephone service companies pay the same percentage into the USF, but most have different methods of assessing the costs to customers. Phone companies are not required to charge customers for USF, but most do. Some charge a flat monthly fee. Others charge a percentage of all or a portion of a customer's bill. This charge can vary dramatically between telephone companies.



Monthly service charge

Unlike Monthly Minimum Usage Charges, Monthly Service Charges are a flat-fee which customers pay long-distance providers as part of some plans. The total number of calls made does not affect this charge. It may be called a Monthly Recurring Charge.

Minimum usage charge

Some long-distance plans contain a Monthly Minimum Usage Charge. These plans are generally not economical for customers not meeting certain call volume requirements. If your plan includes a monthly minimum usage charge of \$5 and you make less than \$5 worth of long-distance calls during the month, you'll still pay \$5.

Federal Access charge

A standard Federal Access Charge is customary on monthly telephone bills. Today's Federal Access Charge might also be called a Federal Subscriber Line Charge, Local Subscriber Line Charge, Customer Line Charge, Interstate Access Charge, or Interstate Single Line Charge. The fee allows local telephone companies to recover some costs for telephone lines connected to residences or businesses. It is regulated and price-capped by the FCC. Customers with single lines to residences and businesses are subject to a minimum monthly fee, but those with multiple lines must pay higher fees for additional lines, which are subsidized to a lesser degree. **The FCC eliminated the residential and single-line business Presubscribed Interexchange Carrier Charge (PICC - pronounced "pixie") and combined it with the Federal Access Charge. It required long-distance providers to pay local telephone companies when customers presubscribed for service. However, some long-distance providers may still charge customers for this even though they are no longer required to pay it.**

