

What am I buying?

Many consumers purchase packages that include local telephone service as well as long distance services and telephone features such as Caller ID, Call Waiting, Call Forwarding, and Three-Way Calling. These services can often be purchased separately.

Before selecting a package:

- **Determine whether buying only the services you want and use will save money, compared to the package prices that often include unlimited usage and multiple features that you may not need or use.** For instance, the cost of paying for one or two features separately might be less than the cost of a package with many features, especially if you make fewer than 105 local calls per month.
- **Evaluate how many local calls you make and how many minutes of long distance and toll calling you use, so you can determine whether an “unlimited” package—or any package—is cost-effective for you.**

“Unlimited” Local Calling Plans are often more costly than the local per call rate unless the consumer makes at least 200 calls per month, every month, and uses calling features. Most consumers make fewer than 100 calls a month.



LISA MADIGAN Illinois Attorney General

If you have questions about your telephone bill or your rights under the law, please call the Illinois Attorney General's Office.

CONSUMER HOTLINES

CHICAGO

1-800-386-5438
TTY: 1-800-964-3013

SPRINGFIELD

1-800-243-0618
TTY: 1-877-844-5461

CARBONDALE

1-800-243-0607
TTY: 1-877-675-9339

www.IllinoisAttorneyGeneral.gov

UNDERSTANDING YOUR TELEPHONE SERVICE

What consumers need to know
when choosing residential
telephone services.



LISA MADIGAN
ILLINOIS ATTORNEY GENERAL

What does a telephone call really cost?

Telephone service—both local and long distance—may be provided in your area by more than one company. To choose the phone service and provider that are right for you, determine what services you need and familiarize yourself with the following information.

Basic Local Rates

When calling AT&T customer service representatives, ask about basic, low-priced services. **Basic rates include the price for the access line and the price of each telephone call.** Call features are extra.

When calling other local telephone companies, ask for the rate for local service. Not all telephone companies offer service that does not include telephone features and long distance, so be sure to ask what is included in the price.

Customers can ask the customer service representative to describe the “best deal” or the “lowest price” services for them, based on their particular calling pattern.



Long Distance and Local Toll

Local toll calls are calls made to a location more than 15 miles from your home but within the state. Local toll and long distance calls are often charged on a **per minute** basis. Rates vary widely, from as low as 3¢ per minute to more than \$1.00 per minute for some international calls. **Be sure to ask about toll and long distance rates.**

Often consumers can save substantial sums by using their cell phones for long distance calling, by using stand-alone long distance companies, or by using calling cards for long distance and international calling. If you make a significant number of long distance calls, you should look into these options.

Surcharges and Taxes

Your telephone bill includes many taxes and fees. Some, like the E911 fee, the universal service fund fee, and taxes, are imposed by state or federal authorities. Others, like the federal access line charge, are telephone company charges. **Be sure to find out if the telephone company has a surcharge, sometimes called the “federal access line charge” or the “subscriber line charge,” so you can calculate the total cost of monthly service.** For example, AT&T adds a federal access charge of about \$4.50 while Sage Telecom adds a \$7.50 charge.

Pricing Local Telephone Service

AT&T separately prices a telephone line (providing access to the phone network and 911 services) and the ability to make and receive calls. So the actual monthly cost of service depends upon two factors:

1. Telephone Line Cost

There are three price categories for the telephone line depending on where the line is located:

- Access Area A
(Downtown Chicago) *\$ 3.76
- Access Area B
(City of Chicago) *\$ 6.74
- Access Area C
(Outside Chicago)
 - Northeast Illinois Customers: *\$10.00
 - All Other Customers: \$ 9.00

*expected to increase \$1.00 in March 2009

2. Total Number of Calls (Usage)

Once AT&T customers buy a telephone line, they have to pay for the calls they make. Local calls are calls to locations within about 15 miles and are charged **per call, not per minute.** Price varies by location:

- Northeast Illinois: 4.0¢ per call
- All Other Customers: 2.49¢ per call

Because of discounts applicable to AT&T per call rates, the most that AT&T can charge any customer for making local calls is \$10.11.