



NEWS

Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>
TTY: 1-888-835-5322

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

FOR IMMEDIATE RELEASE
May 25, 2005

NEWS MEDIA CONTACT:
Mark Wigfield at (202) 418-0259
E-mail: mark.wigfield@fcc.gov

FCC Releases *Reference Book*

Washington, D.C. – Today, the Federal Communications Commission (FCC) released its annual report, *Reference Book of Rates, Price Indices, and Household Expenditures for Telephone Service*. The report contains information on local and long distance rates paid by residential and business consumers, household expenditures, and price indices. Highlights include the following:

Toll Service Rates

- During 2004, the consumer price index for interstate toll service fell 8.7% and the consumer price index for intrastate toll service fell 6.6%, while the overall consumer price index rose 3.3%.
- The average revenue per minute of long distance calling, which reflects rates paid by residential and business consumers, has fallen from 15 cents in 1992, when discount and promotional long distance plans were introduced, to 7 cents in 2003, a decrease of 53%.

Rates for Local Service

- The average rate paid by residential customers for unlimited touch-tone calling was \$24.31 in 2004, compared to \$24.52 in 2003, a decrease of 0.9%. Connection charges for residential customers rose from \$42.54 to \$42.59 during the same period, an increase of 0.1%.
- The Lifeline universal service program subsidizes the monthly phone charges for low-income households, while the Link-Up program subsidizes charges for the connection of a phone line. Based on a sample of cities, Lifeline conferred an average monthly benefit of \$13.82, and Link-Up conferred an average benefit of \$28.51.
- The average rate paid by business customers for a single phone line was \$43.75 in 2004, compared to \$41.96 in 2003, an increase of 4.3%. Connection charges for single-line business customers fell from \$74.18 in 2003 to \$74.17 in 2004, a decrease of 0.01%.

Consumer Expenditures for Telephone Service

- According to Bureau of Labor Statistics (BLS) surveys, telephone service continues to comprise approximately 2% of household expenditures. Monthly expenditures for telephone service by households with telephone service fell from \$79.75 in 2002 to \$79.67 in 2003, a decrease of 0.1%.
- Also, according to BLS surveys, urban households continue to spend more on telephone service than rural households. During 2003, annual expenditures for urban households were \$967, as compared to \$875 for rural households.
- According to data for the year 2003 provided by TNS Telecoms, households annually spent \$441 on local service (compared to \$436 in 2002), \$122 on long distance service (compared to \$149 in 2002), and \$492 on wireless service (compared to \$417 in 2002), for a total annual expenditure of \$1,055 on telephone services (compared to \$1,001 in 2002).

This report is available for reference in the FCC's Reference Information Center, Courtyard Level, 445 12th Street, S.W., Washington, DC 20554. Copies may be purchased by calling Best Copy and Printing, Inc., Portals II, 445 12th Street S.W., Room CY-B402, Washington, DC 20554, (202) 488-5300, or by e-mail at fcc@bcpiweb.com. The report can be downloaded from the **FCC-State Link** Internet site at www.fcc.gov/wcb/stats.

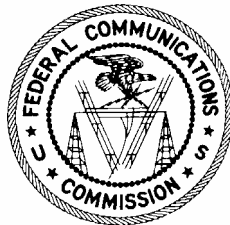
-- FCC --

For further information, contact Paul Zimmerman of the Industry Analysis and Technology Division, Wireline Competition Bureau, at (202) 418-0940, or for users of TTY equipment, call 202-418-0484.

REFERENCE BOOK
of Rates, Price Indices, and Household
Expenditures for Telephone Service

Paul R. Zimmerman

Industry Analysis & Technology Division
Wireline Competition Bureau
2005



This report is available for reference in the FCC's Reference Information Center, Courtyard Level, 445 12th Street S.W., Washington, D.C. 20554. Copies may be purchased by calling Best Copy and Printing, Inc., Portals II, 445 12th Street S.W., Room CY-B402, Washington, D.C. 20554, telephone 202-488-5300, or via e-mail at fcc@bcpiweb.com. The report can also be downloaded from the **FCC-State Link** Internet site www.fcc.gov/wcb/stats.

Table of Contents

Table of Contents	i
Introduction	iii
Statistical Findings	iv
I. Rates	I-1
A. Local Service Rates.....	I-2
1. Residential Rates.....	I-2
2. Rates for Low-Income Households.....	I-3
3. Business Rates.....	I-3
B. Standard Deviation Analysis of Residential Rates.....	I-4
C. Toll Service Rates.....	I-4
D. Additional Sources of Information on Local and Toll Rates.....	I-5
Table 1.1	Residential Rates for Local Service in Urban Areas (As of October 15, 2004)
Table 1.2	Average Residential Rates for Local Service in Urban Areas (As of October 15), 1986-2004
Table 1.3	Residential Telephone Rates in the Sample Cities (As of October 15, 2004)
Table 1.4	Monthly Residential Telephone Rates in the Sample Cities (As of October 15), 1993-2004
Table 1.5	Connection Charges for a Residential Telephone Line in the Sample Cities (As of October 15), 1993-2004
Table 1.6	Comparison of Standard Local Rates to Lifeline and Link-Up Rates (As of October 15, 2004)
Table 1.7	Lifeline and Link-Up Rates in the Sample Cities (As of October 15, 2004)
Table 1.8	Average Local Rates for Businesses with a Single Line in Urban Areas (As of October 15, 2004)
Table 1.9	Average Local Rates for Businesses with a Single Line in Urban Areas (As of October 15), 1989-2004
Table 1.10	Telephone Rates in the Sample Cities for a Business with a Single Line (As of October 15, 2004)
Table 1.11	Monthly Telephone Rates in the Sample Cities for a Business with a Single Line (As of October 15), 1994-2004
Table 1.12	Connection Charges for a Single Business Line in the Sample Cities (As of October 15), 1994-2004
Table 1.13	Standard Deviation Analysis of Residential Rates in the Sample Cities (As of October 15, 2004)
Table 1.14	Historical Standard Deviation Analysis of Residential Rates in the Sample Cities (As of October 15)

Table 1.15 Average Revenue per Minute for Interstate Toll Service Calls

II. Expenditures on Telephone Service	II-1
A. Residential Expenditures.....	II-2
B. Business Expenditures.....	II-2
C. Additional Sources of Information on Expenditures for Telephone Service.....	II-2

Table 2.1	Average Annual Household Expenditures by Household Location
Table 2.2	Average Annual Household Expenditures by Race and National Origin
Table 2.3	Average Annual Household Expenditures by Household Income
Table 2.4	Average Annual Household Expenditures by Age of the Head of the Household
Table 2.5	Average Annual Household Expenditures by Size of the Household
Table 2.6	Average Annual Household Telecommunications Expenditures by Type of Provider
Table 2.7	1999 Use of Communications Commodities by Industry
Table 2.8	1999 Use of Commodities by the Communications Industry

III. Price Indices	III-1
A. Consumer Price Indices.....	III-1
B. Producer Price Indices.....	III-2
C. Additional Sources Information on Price Indices.....	III-2

Table 3.1	Changes in the Consumer Price Indices Since 1980
Chart 1	Consumer Price Indices for Toll Service Since 1984
Chart 2	Consumer Price Indices for Toll Service Since 1984 (Adjusted for Inflation)
Table 3.2	Monthly Consumer Price Indices
Table 3.3	Monthly Producer Price Indices

Appendix *Urban Rates Survey* Residential and Single-Line Business Forms

Introduction

This 2005 issue of the *Reference Book* highlights the data collected through the Industry Analysis and Technology Division's annual *Urban Rates Survey*. The local rate data compiled for 2003 and 2004 reflect the inclusion of various taxes and surcharges and, as such, provide an estimate of the monthly charges residential and single-line business customers pay for local telephone service provided by wireline telephone companies. Local rates pertaining to multiline-business customers are no longer reported. Like the previous edition of the *Reference Book* (2004), this issue primarily focuses on trends in rates, price indices, and expenditures for telephone service. As before, each chapter has a section following the text which informs the reader about the various additional data sources that contain further information on these topics. This report, and previous reports, are also available on the **FCC-State Link** at www.fcc.gov/wcb/stats.

This publication focuses on domestic telecommunications. Those interested in international telecommunications are encouraged to refer to *Trends in the International Telecommunications Industry*, which is also available on the **FCC-State Link** Internet site.

Statistical Findings

Rates for Local Service

- The average rate paid by residential customers for unlimited touch-tone calling fell to \$24.31 in 2004, a decrease of 0.9% from \$24.52 in 2003. Connection charges for residential customers rose from \$42.54 to \$42.59 during the same period, an increase of 0.1%.
- Lifeline subsidizes the monthly phone charges for low-income households, while LinkUp subsidizes charges for the connection of a phone line. Based on a sample of cities, Lifeline conferred an average monthly benefit of \$13.82, and Link-Up conferred an average benefit of \$28.51.
- The average rate paid by business customers for a single phone line rose from \$41.96 in 2003 to \$43.75 in 2004, an increase of 4.3%. Connection charges for single-line business customers fell from \$74.18 in 2003 to \$74.17 in 2004, a decrease of 0.01%.

Toll Service Rates

- The increased availability and marketing of discount and promotional long distance plans, as well as the popularity of wireless “bucket-of-minutes” plans, has made basic schedule rates obsolete for many long distance customers, particularly business customers and high volume residential consumers. Today wireline, wireless, and cable companies are offering consumers bundled packages of local and long distance service, and buckets of minutes that can be used to call anyone, anywhere, and anytime.
- The average revenue per minute of long distance calling, which reflects rates paid by residential and business consumers, has fallen from 15 cents in 1992, when discount and promotional long distance plans were introduced, to 7 cents in 2003, a decrease of 53%.
- During 2004, the consumer price index for interstate toll service fell 8.7% and the consumer price index for intrastate toll service fell 6.6%, while the overall consumer price index rose 3.3%.

Consumer Expenditures for Telephone Service

- According to Bureau of Labor Statistics (BLS) surveys, monthly expenditures for telephone service by households with telephone service fell from \$79.75 in 2002 to \$79.67 in 2003, a decrease of 0.1%. Telephone service continues to comprise approximately 2% of household expenditures.
- Also, according to BLS surveys, urban households continue to spend more on telephone service than rural households. During 2003, annual expenditures for urban households were \$967, as compared to \$875 for rural households.
- According to data provided by TNS Telecoms, a marketing research firm, households spent a total of \$1,055 on telephone services during the year 2003: \$441 on local service; \$122 on long distance service; and \$492 on wireless service.

I. Rates

This section focuses on rates for local telephone service provided by wireline telephone companies. The billing structure for local telephone service can be broadly classified as either flat-rate or message/measured service. Customers subscribing to flat-rate service do not pay any additional fees for calls within their local calling area, regardless of the number of calls they place. Alternatively, customers subscribing to message or measured service pay an additional charge for calls made within the local calling area. Message service denotes those plans which bill customers by the call, regardless of the length of the call, while measured service plans bill customers based upon the length of the call. Either plan may also base charges on the distance between the calling and called party. Under either message or measured service, some amount of calling may be included in the monthly basic charge and therefore be made without additional cost to the customer.

In addition to monthly charges for basic service and calling charges, customers pay a number of other charges for telephone service. The federal subscriber line charge is a line item that local exchange carriers are authorized to charge to recover a portion of the interstate costs of providing local phone service. Some states, such as Michigan, authorize local carriers to charge a state subscriber line charge. In some areas there are additional surcharges that the state telephone regulatory authority has authorized the carrier to charge customers. These surcharges are generally associated with price-cap plans and other regulatory matters that either limit the carrier's local service revenue to reasonable levels, or ensure that the carrier is fully compensated for the cost of providing service. In some states, most notably California, the surcharges change annually and can either add or subtract to the local rates of customers. Charges to fund local number portability, telecommunications relay services, and 911 services also appear on telephone bills in many parts of the country.

The local rate averages presented in this report include subscriber line charges and local number portability surcharges that are tariffed at the FCC. Revenues from these charges are classified as interstate and therefore are included in incumbent local exchange carrier (ILEC) universal service contribution bases. Prior to July 2000, the ILECs recovered the cost of universal service contributions through per-minute interstate access charges. In July 2000 the ILECs began recovering this cost through pass-through charges levied on local exchange service customers. These pass-through charges also are included in our calculations of the base rate for local service.

State, county, and municipal governments levy a number of charges on telephone service. These charges range from standard sales taxes to the 3 percent federal excise tax on telephone service, the latter of which is levied on all monthly service charges except for connection charges or state and municipal taxes appearing as separate line items on consumers' bills.

For local service, posted rates provide an accurate picture of prices paid by end users. However, the long distance market features a variety of rates for identical or similar services. Residential consumers may choose from a wide variety of distinct discount plans, and many businesses enter into contracts with long distance carriers rather than purchasing service at the posted rates. Consequently, basic rates do not necessarily reflect the prices that residential and business consumers actually pay for long distance services. In fact, the vast majority of customers employ discount long distance calling

plans and do not pay the basic schedule rate.¹ Numerous ILECs, competitive local exchange carriers (CLECs), and interexchange carriers (IXCs) are now offering bundled packages of local and long-distance voice services, many at discounted rates. In addition, many wireless providers offer packages that include a set number of minutes that may be used for local or long-distance calls.

A. Local Service Rates

The Industry Analysis and Technology Division of the Wireline Competition Bureau conducts an annual survey of ILEC local telephone service rates in 95 urban areas of the United States.² The cities surveyed are those that were included in the BLS Consumer Price Index (CPI) in 1986. In constructing averages and medians, the sample weights derived by the BLS are used. In addition to collecting information on monthly rates for service, the *Urban Rates Survey* collects information on charges paid to have a phone connected to the network and the price of optional inside wire maintenance plans offered by many local exchange carriers.

1. Residential Rates

Table 1.1 presents the national average rates for residential telephone service as of October 15, 2004. The average rate for flat-rate calling with touch-tone service in the 95 cities in the sample was \$24.31. Measured or message service was \$16.62, with an average additional charge of 8 cents for a 5-minute, same-zone, business-day call.

The charge to have a single residential line connected averaged \$42.59 on October 15, 2004. If telephone service is being installed for the first time at a residence, a drop line from the nearest telephone cable must be run to the building and a connection block (network interface device) must be installed. In twenty-seven of the sample cities, an additional charge is levied for this work. The nationwide average connection charge would be \$12.45 higher if these charges were included.

In some areas of the country, only one type of service is offered, either flat-rate or measured/message service, and consumers do not have a choice. In order to calculate a national average based upon all of the sample cities, we calculate a “representative rate.” The representative rate is the flat-rate service charge in those areas where this type of service

¹ Bureau of Labor Statistics (BLS) price indices, presented in Section III, provide an alternative measure of long distance prices.

² In 2003, the form used to conduct the *Urban Rates Survey* was revised. Specifically, a more detailed breakout of carriers’ surcharges and taxes now appear as separate line items on the survey instrument. The residential and business survey instruments are included in the attached Appendix. In addition, all carriers are now required to submit all line-item data in terms of dollar amounts, whereas before some line items were reported as percentages. These changes to the survey form allow for more accurate estimates of the total monthly recurring costs for basic local residential and single-line business service. Note that all estimates for 2002 and beyond reflect usage of the revised survey form, estimates for years 2001 and prior reflect those obtained from the previous survey instrument.

was available.³ Table 1.2 presents the national average representative rates from 1986 to 2004. During this nineteen-year period, the average representative rate for residential local service has gone from \$17.70 to \$24.31, and average connection charges have dropped from \$49.25 to \$42.59.

Table 1.3 provides the rates in each of the 95 cities in the *Urban Rates Survey* as of October 15, 2004. Tables 1.4 and 1.5 provide historical rates for each of the sample cities.

2. Rates for Low-Income Households

Tables 1.1 through 1.5 show the local rates that are available to all customers. Many states, in addition to federal programs, subsidize low-income households' monthly service charges and connection fees. Most of these subsidy programs are part of the FCC's Lifeline and Link-Up programs. The goal of the Lifeline and Link-Up programs is to help achieve universal service by enabling lower-income households to obtain telephone service. Lifeline subsidizes lower-income households' monthly service charges, while Link-Up subsidizes lower-income households' connection charges. In 2004, qualifying households in all of the 95 surveyed cities received Lifeline and Link-Up benefits. Table 1.6 shows the average Lifeline and Link-Up rates in those cities and compares the subsidized rates to the standard rates. In 2004, low-income households on the Lifeline program paid \$10.49 per month for local service, as compared to \$24.31 paid by residential subscribers not on the Lifeline program, for an average saving of \$13.82 per month. Low-income households receiving Link-Up assistance paid \$14.08 for connection charges, as compared to \$42.59 paid by residential subscribers not receiving LinkUp assistance, for an average Link-Up benefit of \$28.51.

Table 1.7 presents the Lifeline and Link-Up rates, as well as the standard rates, in the sample cities as of October 15, 2004.

3. Business Rates

The *Urban Rates Survey* also collects information on charges for single-line business service. Beginning with the 2003 *Urban Rates Survey*, data pertaining to charges for multi-line business services (key systems and private branch exchanges) are no longer collected.

Table 1.8 presents the average monthly rates for flat-rate and measured/message service paid by a business with a single telephone line, as well as the connection charges a business could expect to pay. Table 1.9 calculates the "representative rate," and shows the trend in rates since 1989. Rates for single-line businesses have followed trends similar to those seen with residential rates. Rates have stayed relatively constant, moving with changes in the federal subscriber line charge, which was capped at \$6.50 at the time of the latest survey. Tables 1.10 through 1.12 present current and historical rates for the sample cities.

³ If flat-rate service was unavailable, the rate for measured/message service was used, along with the charges associated with placing 100 five-minute, same-zone, business-day calls. As of October 15, 2001, flat-rate local residential service was available in all 95 cities, so that approximating the cost of measured/message service with 100 five-minute, same-zone business day calls was unnecessary.

B. Standard Deviation Analysis of Residential Rates

In October 2003, the Federal Communications Commission adopted a recommendation by the Federal-State Joint Board on Universal Service establishing an annual adjusted nationwide urban rate benchmark for purposes of determining universal service support for non-rural carriers. This benchmark is used by the states and the Commission as a tool to assess the reasonable comparability of rates in rural and high-cost areas served by non-rural carriers to nationwide urban rates.⁴ The urban rate benchmark adopted by the Commission is based upon the most recent average urban residential rate as shown in Table 1.1.

Because of the great variation in urban rates nationwide, the Commission adopted a “standard deviation analysis” which measures the dispersion of urban rates from the average. As such, an urban rate benchmark level of two (weighted) standard deviations above the (weighted) average urban rate is used. Table 1.13 presents the results of such a standard deviation analysis for the residential rates reported in the *Urban Rates Survey* as of October 15, 2004. The average, plus the two standard deviation benchmark, is \$34.21. Table 1.14 shows the historical trend in the standard deviation analysis for the years 1993-2004. Over this period the average, plus the two standard deviation benchmark, rose by 20.4%.

C. Toll Service Rates

Since 1992, carriers have introduced an impressive array of discount and promotional plans, and many long distance residential customers subscribe to these plans. These plans take a variety of formats. Some plans offer a block of calling time for a fixed fee and reduced per minute rates for additional calling while others give volume discounts or discounts for calls to certain phone numbers or area codes. One common trend has been the introduction of flat-rate calling plans, which eliminate the mileage bands associated with traditional basic schedules. For example, Verizon’s “Freedom” plan offers unlimited long-distance and local calling (as well as unlimited voice mail, caller ID, call waiting, speed dialing, and three-way calling) for as low as \$49.95 per month (not including add-on charges). In addition, Verizon offers discounts on its high-speed Internet and wireless offerings to those subscribers who sign up for the “Freedom” plan.

Section 271 of the Telecommunications Act of 1996 allowed the Regional Bell Operating Companies (RBOCs) to provide in-region interLATA toll services once the companies satisfied a fourteen-point “checklist” of conditions which demonstrates that

⁴ See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order on Remand, Further Notice of Proposed Rulemaking, and Memorandum Opinion and Order, 18 FCC Rcd 22559, 22607-22610, paras. 80-82 (2003), *remanded*, *Qwest Communications Int’l, Inc. v. FCC*, Nos. 03-9617, 04-9518, 04-9519, 2005 WL 41969 (10th Cir. Feb. 23, 2005).

their local exchange markets are open to entry by competitive local exchange carriers. All of the RBOCs attained section 271 approvals for their particular markets, and many are now offering discounted bundled packages of voice and popular calling features.

Wireless companies and prepaid calling cards offer more options for long-distance consumers. Wireless companies now offer packages which enable customers to purchase a set number of minutes of usage per month at a set rate (some with unlimited nights and weekends) and allow customers to use these minutes for local or long distance calling. Consumers may also purchase prepaid calling cards, which contain an allotted number of minutes, with some charging rates less than three cents per minute.

Using revenue per-minute data for both residential and business interstate toll traffic, Table 1.15 illustrates the downward trend in long distance rates since discount long distance plans were introduced in 1992. The carriers' average revenue per interstate toll minute has fallen by 53% since 1992, demonstrating that the advent of discount long distance plans has produced lower rates for both business and residential consumers.

D. Additional Sources of Information on Local and Toll Rates

1. Local Rates

A few states have begun to place exchange service tariffs on the Internet. The National Association of Regulatory Utility Commissioners (NARUC) web site has links to the web sites of all of the state telecommunications regulatory agencies: www.naruc.org.

The Bureau of Labor Statistics (BLS), part of the U.S. Department of Labor, publishes a number of price indices that follow trends in local telephone rates. Part III of this report reviews these indices. The most current figures can be obtained at www.bls.gov.

2. Toll Rates

Up until August 2001, all interstate interexchange carriers were required to file tariffs setting forth their rates with the FCC. These filings were available for public inspection at the FCC's Reference Information Center, Washington, DC. As of August 1, 2001, interstate carriers were no longer required to file tariffs setting forth their interstate long distance rates. Since that date, carriers are required to post their rates on their websites.

The BLS publishes a number of price indices that follow trends in toll rates. Part III of this report reviews these indices. The most current figures can be obtained at stats.bls.gov.

Finally, there are a number of firms that specialize in monitoring major long distance companies and their rates, and many of these firms maintain Internet sites. Some examples are Abtolls.com, a free directory service guide to long distance carriers and their rates; Telecommunications Research and Action Center, which uses a search engine to find the lowest long distance rates for any selected calling pattern; *Phone Bill Busters*, which lists discount long distance plans and uses a search engine to find the lowest long distance rates for any selected calling pattern; and *Discount Long Distance Digest*, an Internet newsletter which offers a “free multi-carrier cost comparison service”. One can access these services on the Internet at www.abtolls.com, www.trac.org, www.phone-bill-busters.com, and www.thedigest.com.

Table 1.1
Residential Rates for Local Service in Urban Areas
(As of October 15, 2004)

	Average Rate	Median Rate ²
Monthly Charge for Flat-Rate Service ¹	\$14.53	\$13.43
Federal and State Subscriber Line Charges	5.81	6.26
Taxes, 911 and Other Charges	3.97	3.86
Total Monthly Charge for Flat-Rate Service	\$24.31	\$23.55
Number of Sample Cities with Flat-Rate Service	95	-
Monthly Charge for Measured/Message Service ¹	\$7.69	\$8.01
Federal and State Subscriber Line Charges	5.78	6.05
Taxes, 911 and Other Charges	3.15	3.15
Total Monthly Charge for Measured/Message Service	\$16.62	\$17.21
Cost of a 5-Minute Daytime Call	0.08	0.08
Number of Sample Cities with Message/Measured Service	95	-
Basic Connection Charge ¹	\$39.26	\$39.40
Taxes	3.32	2.81
Total Connection Charge	\$42.59	\$42.21
Additional Charge if Drop Line and Connection Block Needed	12.45	0.00
Lowest-Cost Inside Wiring Maintenance Plan	\$3.98	\$4.45

Note: Detail may not add to totals due to rounding.

¹ Rate includes additional monthly charges for touch-tone service.

² Where a rate exists for fewer than 95 cities, the median represents the midpoint rate for those cities which have the service offering.

Table 1.2
Average Residential Rates for Local Service in Urban Areas, 1986-2004
(As of October 15)

	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 ¹	2004 ²
Representative Monthly Charge ^{3,4}	\$12.58	\$12.44	\$12.32	\$12.30	\$12.36	\$13.03	\$13.05	\$13.16	\$13.19	\$13.62	\$13.71	\$13.67	\$13.75	\$13.77	\$13.64	\$14.49	\$14.38	\$14.54	\$14.53
Subscriber Line Charges	2.04	2.66	2.67	3.53	3.55	3.56	3.55	3.55	3.55	3.54	3.54	3.53	3.52	3.58	4.50	5.05	5.74	5.86	5.81
Additional Monthly Charge for Touch-Tone Service	1.57	1.52	1.54	1.52	1.33	1.06	0.97	0.94	0.77	0.44	0.30	0.25	0.10	0.09	0.06	0.04	⁴	⁴	⁴
Taxes, 911, and Other Charges	1.51	1.56	1.58	1.70	2.00	2.12	2.15	2.29	2.31	2.41	2.40	2.42	2.39	2.48	2.57	3.03	3.94	4.12	3.97
Total Monthly Charge	\$17.70	\$18.18	\$18.11	\$19.05	\$19.24	\$19.77	\$19.72	\$19.95	\$19.81	\$20.01	\$19.95	\$19.88	\$19.76	\$19.93	\$20.78	\$22.62	\$24.07	\$24.52	\$24.31
Basic Connection Charge ⁴	45.63	44.04	42.94	43.06	43.06	42.00	41.50	41.38	41.28	40.91	41.11	41.04	41.24	41.26	41.45	40.02	39.83	39.22	39.26
Additional Connection Charge for Touch-tone Service	1.34	1.31	1.55	1.76	1.77	1.27	1.22	1.23	0.85	0.23	0.23	0.17	0.12	0.12	0.12	0.12	⁴	⁴	⁴
Taxes, 911, and Other Charges	2.28	2.20	2.11	2.44	2.32	2.30	2.29	2.30	2.33	2.44	2.36	2.46	2.38	2.57	2.53	2.81	1.33	3.32	3.32
Total Connection Charge	\$49.25	\$47.55	\$46.60	\$47.26	\$47.15	\$45.57	\$45.01	\$44.92	\$44.46	\$43.58	\$43.70	\$43.67	\$43.74	\$43.95	\$44.10	\$42.95	\$41.16	\$42.54	\$42.59
Additional Charge if Drop Line and Connection Block Needed	¹	¹	6.04	6.07	6.89	6.89	6.50	7.29	6.74	5.90	5.74	5.65	5.64	5.86	5.84	5.84	5.85	12.13	12.45
Lowest-Cost Inside Wiring Maintenance Plan	0.58	0.85	0.89	1.07	1.07	1.20	1.25	1.31	1.45	1.52	1.78	1.68	2.22	2.66	3.03	3.62	3.62	3.64	3.98

Note: Details may not add to totals due to rounding.

¹ Revised.

² Subject to revision.

³ Rates are based upon flat-rate service where available and measured/message service with 100 five-minute, same-zone, business-day calls elsewhere. Beginning in 2001, all rates reflect flat-rate service.

⁴ Beginning in 2002, rate includes additional monthly charges for touch-tone service.

Table 1.3
Residential Telephone Rates in the Sample Cities¹
(As of October 15, 2004)

State	City	Telephone Company	Monthly Telephone Rate Including Touch-Tone, Surcharges, and Taxes		Cost of a Five-Minute Same-Zone Daytime Call	Connection Charges Including Touch-Tone, Surcharges, and Taxes	Least-Cost Inside Wiring Maintenance Plan
			Flat-Rate Service	Measured/Message Service			
Alabama	Huntsville	BellSouth	\$26.84	\$22.04	\$0.05	\$40.00	\$5.50
Alaska	Anchorage	Anchorage	21.61			53.50	2.00
Arizona	Tuscon	Qwest	22.66	17.25	0.20	27.50	4.75
Arkansas	Pine Bluff	SBC	27.53	18.88	0.07	45.00	4.45
Arkansas	West Memphis	SBC	33.55	17.88	0.07	45.00	4.45
California	Anaheim	SBC	16.05	11.69	0.05	33.01	2.99
California	Bakersfield	SBC	16.05	10.87	0.05	33.01	2.99
California	Fresno	SBC	16.05	10.87	0.05	33.01	2.99
California	Long Beach	Verizon	28.47	20.06	0.08	46.00	1.75
California	Los Angeles	SBC	16.05	10.87	0.05	33.01	2.99
California	Oakland	SBC	16.05	10.87	0.05	33.01	2.99
California	Salinas	SBC	16.05	10.87	0.05	33.01	2.99
California	San Diego	SBC	16.05	10.87	0.05	33.01	2.99
California	San Francisco	SBC	16.05	10.87	0.05	33.01	2.99
California	San Jose	SBC	16.05	10.87	0.05	33.01	2.99
Colorado	Boulder	Qwest	27.17	20.52	0.13	35.00	4.75
Colorado	Colorado Springs	Qwest	24.68	18.78	0.13	35.00	4.75
Colorado	Denver	Qwest	25.62	19.36	0.13	35.00	4.75
Connecticut	Ansonia	Verizon	22.15	15.52	0.18	65.00	3.95
Connecticut	Norwalk	Verizon	21.08	15.54	0.18	65.00	3.95
District of Columbia	Washington	Verizon	21.46	13.36	0.05	21.00	3.45
Florida	Miami	BellSouth	21.14			40.88	5.50
Florida	Tampa	Verizon	22.27	17.05	0.10	55.00	3.95
Florida	West Palm Beach	BellSouth	20.65			40.88	5.50
Georgia	Albany	BellSouth	25.91	18.18	0.12	42.50	5.50
Georgia	Atlanta	BellSouth	28.90			42.50	5.50
Hawaii	Honolulu	Verizon	26.23			45.50	3.95
Illinois	Chicago	SBC	21.78	10.00	0.05	39.40	3.95
Illinois	Decatur	SBC	28.78	17.10	0.05	39.40	4.95
Illinois	Rock Island	SBC	28.53	16.85	0.05	39.40	4.95
Indiana	Indianapolis	SBC	19.74	14.26	0.21	47.00	4.99
Indiana	Terre Haute	Verizon	25.95			57.20	3.95
Iowa	Fort Dodge	Frontier	19.90			12.95	3.95
Kentucky	Louisville	BellSouth	28.87	24.16	0.06	42.00	5.50
Louisiana	Baton Rouge	BellSouth	23.28	16.46	0.25	41.00	5.50
Louisiana	New Orleans	BellSouth	22.12	15.62	0.06	41.00	5.50
Maine	Portland	Verizon	27.28			44.75	3.45
Maryland	Baltimore	Verizon	27.94	20.05	0.08	44.25	3.45
Massachusetts	Boston	Verizon	29.88	22.39	0.09	13.50	3.45
Massachusetts	Hyannis	Verizon	29.88	22.39	0.09	13.50	3.45
Massachusetts	Springfield	Verizon	29.88	22.39	0.09	13.50	3.45
Michigan	Detroit	SBC	27.45	23.42	0.07	42.25	4.95
Michigan	Grand Rapids	SBC	25.11	21.97	0.07	42.25	4.95
Michigan	Saginaw	SBC	27.27	24.45	0.07	42.25	4.95
Minnesota	Detroit Lakes	Qwest	21.69	15.96	0.00	18.35	4.75
Minnesota	Minneapolis	Qwest	22.67	17.10	0.10	18.35	4.75
Mississippi	Pascagoula	BellSouth	28.73	19.98	0.04	46.00	5.50
Missouri	Kansas City	SBC	19.81	13.76	0.08	36.19	4.95
Missouri	Mexico	SBC	18.40	12.96	0.08	36.19	4.95
Missouri	St. Louis	SBC	20.23	13.95	0.08	36.19	4.95
Montana	Butte	Qwest	26.02	18.36	0.05	26.00	4.75
Nebraska	Grand Island	Qwest	28.75	22.92	0.10	33.00	4.75
New Jersey	Phillipsburg	Verizon	17.09	13.22	0.10	42.35	3.45

Table 1.3
Residential Telephone Rates in the Sample Cities - Continued¹
(As of October 15, 2004)

State	City	Telephone Company	Monthly Telephone Rate Including Touch-Tone, Surcharges, and Taxes		Cost of a Five-Minute Same-Zone Daytime Call	Connection Charges Including Touch-Tone, Surcharges, and Taxes	Least-Cost Inside Wiring Maintenance Plan
			Flat-Rate Service	Measured/Message Service			
New Mexico	Alamogordo	Qwest	23.74	15.04	0.15	30.00	4.75
New York	Binghamton	Verizon	30.44	18.08	0.09	55.00	2.35
New York	Buffalo	Verizon	34.47	18.51	0.09	55.00	2.35
New York	Massena	Verizon	28.65	17.97	0.09	55.00	2.35
New York	New York City	Verizon	31.67	19.11	0.09	55.00	2.35
New York	Ogdensburg	Verizon	29.42	18.46	0.09	55.00	2.35
New York	Rochester	Frontier	20.44	13.23	0.08	33.32	3.95
North Carolina	Raleigh	BellSouth	23.32			42.75	5.50
North Carolina	Rockingham	BellSouth	22.15			42.75	5.50
Ohio	Canton	SBC	22.14	16.30	0.08	36.50	4.95
Ohio	Cincinnati	Cincinnati Bell	23.61	15.21	0.15	25.70	5.95
Ohio	Cleveland	SBC	22.45	16.52	0.08	36.50	4.95
Ohio	Columbus	SBC	22.19	16.33	0.08	36.50	4.95
Ohio	Toledo	SBC	22.29	16.41	0.08	36.50	4.95
Oregon	Corvallis	Qwest	22.67	15.45	0.15	16.50	4.75
Oregon	Portland	Qwest	22.66	15.44	0.15	16.50	4.75
Pennsylvania	Allentown	Verizon	22.10	17.46	0.07	40.00	3.45
Pennsylvania	Ellwood City	Verizon	22.53	17.90	0.07	40.00	3.45
Pennsylvania	Johnstown	Verizon	23.12	15.43	0.07	52.70	3.95
Pennsylvania	New Castle	Verizon	20.73	17.88	0.07	40.00	3.45
Pennsylvania	Philadelphia	Verizon	23.45	16.57	0.07	40.00	3.45
Pennsylvania	Pittsburgh	Verizon	23.45	16.57	0.07	40.00	3.45
Pennsylvania	Scranton	Verizon	22.10	17.46	0.07	40.00	3.45
Rhode Island	Providence	Verizon	30.29	18.08	0.05	33.83	3.45
South Carolina	Beaufort	Sprint	23.80	15.65	0.12	32.30	4.00
Tennessee	Memphis	BellSouth	23.08	14.38	0.06	41.50	5.50
Tennessee	Nashville	BellSouth	22.41	14.13	0.06	41.50	5.50
Texas	Brownsville	SBC	19.13	13.83	0.08	38.35	4.95
Texas	Corpus Christi	SBC	20.48	15.18	0.08	38.35	4.95
Texas	Dallas	SBC	23.14	16.71	0.08	38.35	4.95
Texas	Fort Worth	SBC	21.49	15.35	0.08	38.35	4.95
Texas	Houston	SBC	21.92	15.57	0.08	38.35	4.95
Texas	San Antonio	SBC	19.71	14.05	0.08	38.35	4.95
Utah	Logan	Qwest	21.41	19.34	0.10	25.00	4.75
Virginia	Richmond	Verizon	31.43	24.64	0.19	38.50	1.25
Virginia	Smithfield	Verizon	30.59	21.80	0.16	40.00	2.50
Washington	Everett	Verizon	24.49	17.83	0.02	43.25	3.95
Washington	Seattle	Qwest	21.33	17.44	0.07	31.00	4.75
West Virginia	Huntington	Verizon	23.32	13.87	0.16	42.00	3.45
Wisconsin	Milwaukee	SBC	33.84	14.76	0.04	51.90	
Wisconsin	Racine	SBC	33.58	14.78	0.04	51.90	

¹ All figures are preliminary and subject to revision.

Table 1.4
Monthly Residential Telephone Rates in the Sample Cities ¹
(As of October 15)

State	City	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 ²	2004 ³
Alabama	Huntsville	\$24.60	\$24.60	\$23.06	\$22.67	\$22.67	\$22.67	\$22.67	\$23.61	\$24.85	\$25.98	\$26.76	\$26.84
Alaska	Anchorage	16.20	14.44	14.47	14.47	14.46	14.48	14.48	14.34	15.42	20.95	21.50	21.61
Arizona	Tuscon	18.23	18.23	19.18	19.13	19.42	19.42	19.43	20.10	20.78	22.89	23.39	22.66
Arkansas	Pine Bluff	22.60	22.22	22.06	22.14	22.22	22.22	22.26	23.22	25.09	26.08	26.11	27.53
Arkansas	West Memphis	29.00	29.55	28.57	28.65	28.78	20.79	28.75	29.72	31.58	32.72	32.71	33.55
California	Anaheim	12.18	12.18	15.59	15.69	15.57	15.57	15.42	15.34	15.71	17.48	16.67	16.05
California	Bakersfield	12.18	12.18	15.59	15.69	15.57	15.57	15.42	15.34	15.71	17.48	16.67	16.05
California	Fresno	12.18	12.18	15.59	15.69	16.67	17.13	15.42	15.34	15.71	17.48	16.67	16.05
California	Long Beach	17.35	16.78	23.56	23.51	23.51	23.51	23.51	24.48	25.05	24.69	28.31	28.47
California	Los Angeles	13.39	13.39	17.09	17.20	15.57	16.01	16.59	16.87	17.28	17.48	16.67	16.05
California	Oakland	13.09	13.09	16.72	16.82	15.57	16.01	16.23	16.49	16.89	17.48	16.67	16.05
California	Salinas	12.79	12.91	16.49	16.59	15.57	16.01	16.02	16.26	16.65	17.48	16.67	16.05
California	San Bernadino	17.12	16.55	23.24	23.19	23.19	23.19	23.19	24.15	25.05	24.69	29.02	28.92
California	San Diego	12.18	12.18	15.59	15.69	15.57	16.01	15.42	15.34	15.71	17.48	16.67	16.05
California	San Francisco	12.18	12.69	15.59	15.69	16.45	16.91	15.16	15.34	15.71	17.48	16.67	16.05
Colorado	Boulder	20.99	21.26	21.51	21.55	21.36	21.39	22.07	23.04	23.07	27.06	27.68	27.17
Colorado	Colorado Springs	20.29	20.23	19.78	20.38	20.38	20.36	20.85	21.77	22.33	24.48	25.00	24.68
Colorado	Denver	20.80	21.12	21.10	21.14	21.11	21.40	21.91	22.85	22.98	25.71	26.23	25.62
Connecticut	Ansonia	17.22	17.60	18.70	18.70	18.70	18.64	19.41	20.67	22.02	22.41	22.34	22.15
Connecticut	Norwalk	16.13	16.51	17.60	17.60	17.60	17.55	18.32	19.58	20.93	21.32	21.25	21.08
District of Columbia	Washington	21.70	21.67	20.13	21.05	19.23	20.10	19.94	20.12	21.03	21.01	21.53	21.46
Florida	Miami	18.07	16.92	16.84	16.86	16.86	16.85	16.83	17.76	18.97	20.26	21.02	21.14
Florida	Tampa	17.45	17.45	17.65	19.09	19.19	19.23	19.23	20.27	21.04	22.29	22.49	22.27
Florida	West Palm Beach	16.74	15.65	15.59	15.89	15.89	15.60	15.58	16.73	18.15	19.56	20.29	20.65
Georgia	Albany	20.60	20.63	20.63	21.29	21.29	21.34	21.88	22.98	24.22	25.11	26.25	25.91
Georgia	Atlanta	24.50	24.53	24.80	24.98	24.98	24.92	24.92	26.04	27.25	28.56	29.54	28.90
Hawaii	Honolulu	19.35	20.60	21.35	22.52	22.40	22.40	22.40	23.28	23.28	25.34	26.35	26.23
Illinois	Chicago	18.21	18.20	17.31	17.63	17.18	17.18	14.52	15.52	21.64	24.68	22.12	21.78
Illinois	Decatur	21.56	21.54	20.19	20.18	20.18	20.18	22.26	23.26	21.08	31.52	29.15	28.78
Illinois	Rock Island	22.18	22.17	20.82	20.82	20.18	20.18	21.85	22.85	20.79	31.26	28.90	28.53
Indiana	Indianapolis	21.87	20.44	19.81	18.82	18.82	18.82	19.05	20.25	20.40	20.20	20.21	19.74
Indiana	Terre Haute	22.93	23.02	23.02	22.98	22.98	22.98	19.86	22.57	23.63	26.21	25.94	25.95
Iowa	Fort Dodge	13.79	14.06	14.06	14.06	15.96	15.90	15.57	16.49	17.62	19.04	19.51	19.90
Kentucky	Louisville	24.17	24.17	23.66	23.66	24.63	24.63	24.70	26.41	27.11	28.44	29.06	28.87
Louisiana	Baton Rouge	22.25	20.81	20.93	20.66	19.57	19.57	19.57	20.47	23.17	23.00	23.65	23.28
Louisiana	New Orleans	23.28	20.33	20.14	19.99	18.78	18.78	18.78	19.69	20.67	21.84	22.49	22.12
Maine	Portland	18.24	18.27	17.99	18.19	19.12	19.70	22.53	23.34	24.72	26.31	26.99	27.28
Maryland	Baltimore	24.98	24.98	24.98	24.98	24.98	24.67	24.67	25.73	26.47	27.14	28.09	27.94
Massachusetts	Boston	21.72	23.07	23.07	23.07	23.07	23.07	23.07	23.46	24.53	25.61	29.64	29.88
Massachusetts	Hyannis	20.43	23.07	23.07	23.07	23.07	23.07	23.07	23.46	24.53	25.61	29.64	29.88
Massachusetts	Springfield	21.72	23.07	23.07	23.07	23.07	23.07	23.07	23.46	24.53	25.61	29.64	29.88
Michigan	Detroit	19.25	19.55	19.50	19.42	19.42	19.76	22.50	25.99	27.12	27.77	27.39	27.45
Michigan	Grand Rapids	17.19	17.53	18.06	17.95	18.01	18.25	20.08	23.28	24.54	25.47	25.07	25.11
Michigan	Saginaw	18.75	16.93	18.96	20.05	20.05	20.11	19.85	22.99	27.71	28.18	27.52	27.27
Minnesota	Detroit Lakes	19.86	19.84	19.91	19.91	19.63	19.63	19.63	20.57	21.50	22.41	22.42	21.69
Minnesota	Minneapolis	21.64	21.66	21.73	21.73	21.45	21.46	20.61	21.54	22.48	23.38	23.39	22.67
Mississippi	Pascagoula	26.03	26.42	26.42	26.03	26.03	25.26	24.81	25.80	27.05	28.30	28.95	28.73
Missouri	Kansas City	20.40	19.03	18.15	18.15	19.53	19.53	18.25	19.21	20.68	20.33	20.25	19.81
Missouri	Mexico	17.14	15.81	17.19	17.19	17.26	17.26	17.26	18.42	20.10	18.76	18.91	18.40
Missouri	St. Louis	20.23	19.05	18.18	18.18	18.18	18.18	18.28	19.32	20.87	20.52	20.73	20.23
Montana	Butte	18.22	18.22	18.22	18.22	19.26	19.69	22.70	23.16	24.23	26.25	26.54	26.02
Nebraska	Grand Island	21.88	21.88	21.85	21.76	23.39	23.27	26.22	27.14	26.25	29.64	29.38	28.75
New Jersey	Phillipsburg	13.04	13.04	13.04	13.04	13.05	13.05	13.05	13.21	15.31	15.93	16.30	17.09

Table 1.4
Monthly Residential Telephone Rates in the Sample Cities - Continued¹
(As of October 15)

State	City	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 ²	2004 ³
New Mexico	Alamogordo	20.21	20.46	20.65	20.82	20.99	20.99	19.03	17.50	18.14	22.47	24.22	23.74
New York	Binghamton	25.31	24.52	26.03	23.80	23.76	23.74	23.74	23.90	25.01	29.05	30.57	30.44
New York	Buffalo	32.68	31.63	30.62	28.34	28.29	28.27	28.27	28.37	32.41	32.52	34.25	34.47
New York	Massena	22.90	22.88	23.40	21.19	20.33	20.31	20.31	20.50	24.94	24.88	28.79	28.65
New York	New York City	26.75	26.73	25.00	24.92	24.88	24.86	24.86	25.00	28.45	29.04	31.81	31.67
New York	Ogdensburg	23.54	23.52	24.06	21.78	20.90	20.88	20.88	21.08	25.62	25.56	29.56	29.42
New York	Rochester	19.75	18.96	16.83	16.83	17.91	17.86	17.86	18.64	19.55	20.38	20.44	20.44
North Carolina	Raleigh	18.23	18.02	17.75	17.48	17.22	17.23	17.23	18.13	19.33	21.28	23.46	23.32
North Carolina	Rockingham	16.74	16.53	16.22	15.95	15.69	15.69	15.69	16.86	19.20	20.54	21.81	22.15
Ohio	Canton	21.29	21.29	20.00	19.59	18.87	18.72	18.56	19.28	20.31	21.06	21.18	22.14
Ohio	Cincinnati	20.30	21.24	21.13	21.13	21.13	21.05	21.55	22.74	23.54	23.76	23.98	23.61
Ohio	Cleveland	21.29	21.29	20.00	19.44	18.87	18.72	18.56	19.28	20.31	21.06	21.18	22.45
Ohio	Columbus	21.29	21.29	20.00	19.85	18.87	18.72	18.56	19.28	20.31	21.06	21.18	22.19
Ohio	Toledo	21.29	21.29	20.00	19.85	18.87	18.72	18.56	19.28	20.31	21.06	21.18	22.29
Oregon	Corvallis	19.02	18.21	18.73	19.65	19.66	19.88	19.97	21.05	21.62	24.05	23.11	22.67
Oregon	Portland	21.42	18.36	22.07	23.02	21.22	21.19	21.19	22.07	23.64	25.44	21.60	22.66
Pennsylvania	Allentown	17.70	17.70	17.59	17.63	17.47	17.94	17.48	18.35	19.59	20.87	22.21	22.10
Pennsylvania	Ellwood City	15.07	15.07	16.72	16.76	16.60	16.60	16.60	18.74	20.00	21.28	22.65	22.53
Pennsylvania	Johnstown	20.11	21.95	21.78	20.31	19.48	19.48	21.94	22.86	20.97	21.54	23.33	23.12
Pennsylvania	New Castle	15.07	15.58	14.97	15.01	14.90	14.90	14.90	17.04	18.30	19.58	20.84	20.73
Pennsylvania	Philadelphia	20.09	20.09	19.98	18.72	18.56	18.56	18.56	19.41	20.67	22.13	23.57	23.45
Pennsylvania	Pittsburgh	18.78	18.78	18.67	18.72	17.48	17.48	18.56	19.41	20.67	21.95	23.57	23.45
Pennsylvania	Scranton	16.41	16.41	17.59	17.63	18.56	18.56	17.48	18.32	19.59	20.87	22.31	22.10
Rhode Island	Providence	23.09	23.50	23.50	23.50	23.50	23.50	23.49	24.43	25.52	27.68	29.32	30.29
South Carolina	Beaufort	20.30	20.30	19.76	19.76	19.76	19.76	20.41	21.33	22.26	24.56	24.45	23.80
Tennessee	Memphis	20.25	20.25	20.25	20.33	20.33	20.33	19.95	20.33	21.76	22.15	22.80	23.08
Tennessee	Nashville	19.41	19.41	19.41	19.41	19.41	19.88	19.51	19.90	20.99	21.72	22.42	22.41
Texas	Brownsville	15.27	14.33	15.33	15.31	14.91	14.78	15.33	17.16	18.33	21.97	21.54	19.13
Texas	Corpus Christi	17.00	15.93	15.89	15.90	16.22	17.15	17.17	16.23	17.32	27.39	25.77	20.48
Texas	Dallas	18.97	17.99	18.00	17.92	17.47	18.07	17.97	19.45	20.64	28.10	26.79	23.14
Texas	Fort Worth	17.77	16.70	16.73	16.62	16.17	16.75	16.89	19.17	19.66	25.82	25.05	21.49
Texas	Houston	19.42	18.39	18.44	18.28	17.98	18.31	18.31	18.87	19.55	22.19	22.45	21.92
Texas	San Antonio	17.52	16.58	16.56	16.42	16.37	16.35	16.35	17.05	18.13	19.83	20.04	19.71
Utah	Logan	15.66	15.62	15.76	15.76	15.70	17.73	17.99	19.38	19.44	22.13	21.80	21.41
Virginia	Richmond	24.60	24.60	23.90	23.78	23.78	23.78	23.78	28.67	29.60	30.06	31.60	31.43
Virginia	Smithfield	17.01	17.01	17.01	16.90	16.90	16.90	16.90	17.87	27.82	33.29	30.81	30.59
Washington	Everett	18.97	18.97	18.97	18.97	18.97	18.97	19.53	20.47	22.27	24.65	24.71	24.49
Washington	Seattle	17.00	17.00	16.22	15.93	15.97	15.61	18.16	19.03	19.23	21.91	22.01	21.33
West Virginia	Huntington	28.73	28.73	28.73	28.21	27.68	27.16	27.16	25.69	27.47	29.16	29.25	23.32
Wisconsin	Milwaukee	16.56	15.91	15.91	15.92	15.92	15.92	16.76	17.46	34.75	34.95	35.56	33.84
Wisconsin	Racine	16.61	15.96	15.87	15.88	15.88	15.88	16.40	17.09	34.61	34.93	35.54	33.58

¹ Beginning in 2001, all rates reflect flat-rate service. Rates are for flat-rate service where available and measured/message service with 100 local calls elsewhere. All rates include touch-tone service, surcharges, 911 charges, and taxes.

² Revised figures.

³ Preliminary figures - subject to revision.

Table 1.5
Connection Charges for a Residential Telephone Line in the Sample Cities ¹
(As of October 15)

State	City	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 ²	2004 ³
Alabama	Huntsville	\$42.68	\$42.68	\$42.68	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
Alaska	Anchorage	25.50	25.50	25.50	25.50	25.50	25.50	35.00	35.00	35.00	43.40	43.40	53.50
Arizona	Tuscon	51.74	51.74	51.74	48.92	48.92	48.92	49.85	46.59	38.43	35.00	30.61	30.61
Arkansas	Pine Bluff	52.72	44.16	43.92	44.08	44.05	44.05	44.16	39.70	44.16	39.70	39.70	45.00
Arkansas	West Memphis	53.25	44.24	44.54	44.67	44.71	44.57	44.69	39.70	44.69	39.70	39.70	45.00
California	Anaheim	34.32	34.32	35.19	35.47	35.61	35.93	34.29	32.23	32.47	33.01	35.82	35.82
California	Bakersfield	34.32	34.32	35.19	35.47	34.92	35.93	34.29	32.23	32.47	35.82	35.82	35.82
California	Fresno	34.32	34.32	35.19	35.47	34.92	35.93	34.29	32.23	32.47	35.82	35.82	35.82
California	Long Beach	55.25	52.89	45.73	45.61	45.61	45.61	45.61	45.61	45.51	46.00	52.46	53.09
California	Los Angeles	34.32	34.32	35.19	35.47	34.92	35.93	33.70	32.23	35.77	35.82	35.82	35.82
California	Oakland	34.32	34.32	35.19	35.47	34.92	35.93	33.70	32.23	32.47	35.82	35.82	35.82
California	Salinas	34.32	34.32	35.19	35.47	34.92	35.93	33.70	32.23	32.47	35.82	35.82	35.82
California	San Bernadino	55.25	52.89	45.73	45.61	45.61	45.61	45.61	45.61	45.51	46.00	53.84	54.01
California	San Diego	34.32	34.32	35.19	35.47	34.92	35.93	34.29	32.23	32.47	35.82	35.82	35.82
California	San Francisco	34.32	34.32	35.19	35.47	34.92	35.93	34.29	32.23	32.47	35.82	35.82	35.82
California	San Jose	34.32	34.32	35.19	35.47	35.93	35.93	34.29	32.23	34.12	35.82	35.82	35.82
Colorado	Colorado Springs	36.84	36.40	36.40	36.40	36.40	36.40	37.53	36.09	37.38	35.00	37.09	37.09
Colorado	Denver	37.56	37.56	37.56	37.56	37.56	37.56	38.72	36.09	38.54	38.27	38.27	38.27
Connecticut	Ansonia	47.70	47.70	47.70	47.70	47.70	47.70	47.70	55.00	58.30	65.00	65.00	65.00
Connecticut	Norwalk	47.70	47.70	47.70	47.70	47.70	47.70	47.70	55.00	58.30	65.00	65.00	65.00
District of Columbia	Washington	30.76	30.76	30.76	30.76	30.76	30.76	30.76	30.76	21.00	23.10	25.10	25.10
Florida	Miami	44.50	40.00	40.00	40.00	40.00	40.00	40.00	40.00	43.32	43.92	44.25	44.17
Florida	Tampa	62.98	62.98	62.98	59.13	59.13	59.13	59.13	55.00	59.13	55.00	61.15	61.15
Florida	West Palm Beach	44.50	40.00	40.00	40.00	40.00	40.00	40.00	40.00	43.28	43.88	44.05	44.05
Georgia	Albany	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50
Georgia	Atlanta	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50	42.50
Hawaii	Honolulu	45.50	45.50	45.50	49.30	50.74	50.74	50.74	50.61	50.72	45.50	53.91	53.91
Illinois	Chicago	60.56	60.56	60.56	60.56	60.56	60.56	63.03	55.00	59.76	45.40	39.60	39.40
Illinois	Decatur	60.64	60.64	60.64	60.64	60.64	60.64	62.56	55.00	59.31	45.40	39.40	39.40
Illinois	Rock Island	60.64	60.64	60.64	60.64	60.64	60.64	62.56	55.00	59.31	45.40	39.60	39.40
Indiana	Indianapolis	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00
Indiana	Terre Haute	60.06	60.06	60.06	60.06	60.06	60.06	60.06	60.06	60.06	57.20	62.35	62.35
Iowa	Fort Dodge	9.82	9.82	9.82	9.82	14.06	13.98	13.59	12.94	13.57	12.80	12.76	12.95
Kentucky	Louisville	34.50	34.50	34.50	42.00	42.00	42.00	42.00	42.00	44.52	44.52	44.52	44.52
Louisiana	Baton Rouge	51.80	51.80	44.63	44.29	42.23	42.23	42.23	41.00	44.28	44.34	44.34	44.34
Louisiana	New Orleans	51.50	52.00	44.29	44.29	42.23	42.23	42.23	41.00	42.23	42.23	42.23	42.23
Maine	Portland	47.44	47.44	47.44	47.44	47.44	47.21	47.21	44.75	46.99	44.75	48.33	48.33
Maryland	Baltimore	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00	56.18	51.79
Massachusetts	Boston	38.92	38.92	38.92	38.92	38.92	38.92	38.92	37.07	14.18	13.50	14.59	14.59
Massachusetts	Hyannis	38.92	38.92	38.92	38.92	38.92	38.92	38.92	37.07	14.18	13.50	14.59	14.59
Massachusetts	Springfield	38.92	38.92	38.92	38.92	38.92	38.92	38.92	37.07	14.18	13.50	14.59	14.59
Michigan	Detroit	43.68	44.52	44.52	44.52	44.52	44.52	46.62	42.00	46.62	46.62	46.62	46.90
Michigan	Grand Rapids	43.68	44.52	44.52	44.52	44.52	44.52	44.52	42.00	44.52	44.52	44.52	44.78
Michigan	Saginaw	43.68	44.52	44.52	44.52	44.52	44.52	44.52	42.00	44.52	44.52	44.52	44.78
Minnesota	Detroit Lakes	18.75	18.75	18.75	19.97	19.54	19.54	19.54	18.35	19.54	19.54	19.54	19.54
Minnesota	Minneapolis	18.75	18.75	18.75	20.06	19.63	19.63	19.63	18.35	19.63	19.63	19.63	19.63
Mississippi	Pascagoula	49.22	49.22	49.22	49.22	49.22	49.22	49.22	46.00	49.22	49.22	49.22	49.22
Missouri	Kansas City	52.95	42.47	42.47	42.47	42.47	42.47	42.70	36.50	41.69	41.51	37.45	41.16
Missouri	Mexico	51.98	51.98	41.70	41.70	41.88	41.88	41.88	36.50	41.49	41.18	41.55	41.53
Missouri	St. Louis	53.16	53.67	43.06	43.06	43.06	43.06	43.30	36.50	42.93	42.61	42.99	42.97
Montana	Butte	35.30	35.30	25.00	25.00	25.00	25.00	26.00	26.00	26.00	26.00	26.00	26.00
Nebraska	Grand Island	30.52	30.52	30.52	36.03	36.03	36.03	37.41	35.29	37.27	37.44	37.44	37.60
New Jersey	Phillipsburg	44.52	44.52	44.52	44.89	44.89	44.89	44.89	42.35	44.89	44.89	46.16	46.16

Table 1.5
Connection Charges for a Residential Telephone Line in the Sample Cities - Continued
(As of October 15)

State	City	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 ²	2004 ³
New Mexico	Alamogordo	31.86	31.96	31.96	31.86	31.86	31.86	31.86	30.00	31.99	32.01	32.01	32.09
New York	Binghamton	62.48	62.42	62.71	62.59	62.47	62.41	62.41	57.13	61.53	55.00	61.61	61.61
New York	Buffalo	64.19	64.13	63.83	63.71	63.59	63.53	63.53	58.17	62.57	55.00	62.68	62.68
New York	Massena	62.69	62.63	62.34	62.22	62.10	62.05	62.05	57.33	61.18	55.00	61.26	61.26
New York	New York	64.64	64.58	64.29	64.02	63.90	63.84	63.84	58.32	62.47	55.00	62.62	62.62
New York	Ogdensburg	64.46	64.39	64.09	63.97	63.85	63.79	63.79	57.33	62.83	55.00	62.91	62.91
New York	Rochester	47.01	33.32	33.32	33.32	33.32	33.32	33.32	33.32	33.32	33.32	33.32	33.32
North Carolina	Raleigh	44.03	44.03	44.03	44.03	44.03	44.03	44.03	42.75	44.03	45.32	45.32	45.32
North Carolina	Rockingham	44.03	44.03	44.03	44.03	44.03	44.03	44.03	42.75	44.03	45.32	45.32	45.32
Ohio	Canton	45.80	45.80	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50
Ohio	Cincinnati	30.25	31.70	31.70	31.70	31.70	25.70	25.70	25.70	25.70	25.70	25.70	25.70
Ohio	Cleveland	45.80	45.80	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50
Ohio	Columbus	45.80	45.80	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50
Ohio	Toledo	45.80	45.80	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50
Oregon	Corvallis	12.00	12.00	12.00	12.36	12.36	12.36	12.36	12.36	12.72	16.50	17.90	17.99
Oregon	Portland	12.00	12.00	12.00	12.36	12.36	12.36	12.36	12.36	12.72	16.50	17.90	17.99
Pennsylvania	Allentown	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	43.60	43.60
Pennsylvania	Ellwood City	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	43.60	43.60
Pennsylvania	Johnstown	55.86	55.86	55.86	55.86	55.86	55.86	55.86	52.70	55.86	52.70	57.44	57.44
Pennsylvania	New Castle	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	43.60	43.60
Pennsylvania	Philadelphia	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.40	44.00	44.00
Pennsylvania	Pittsburgh	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	44.00	44.00
Pennsylvania	Scranton	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	43.60	43.60
Rhode Island	Providence	30.39	36.20	36.20	36.20	36.20	36.20	36.20	33.83	36.20	33.83	37.21	37.21
South Carolina	Beaufort	32.30	32.30	32.30	32.30	32.30	32.30	32.30	32.30	32.30	32.30	32.30	32.30
Tennessee	Memphis	47.39	47.39	47.39	47.62	47.62	47.62	47.40	43.85	47.28	47.76	47.96	47.96
Tennessee	Nashville	45.13	45.13	45.13	45.13	45.13	45.13	44.92	41.50	44.92	45.44	45.45	45.45
Texas	Brownsville	46.66	44.06	47.12	47.08	47.07	46.65	47.39	38.35	47.39	44.06	41.51	41.51
Texas	Corpus Christi	50.45	47.39	47.28	47.31	48.25	43.85	43.91	38.35	43.91	43.91	41.47	41.47
Texas	Dallas	51.15	48.38	48.38	48.18	46.95	48.58	48.31	38.35	48.31	44.06	41.51	41.51
Texas	Fort Worth	50.80	47.82	47.90	47.59	46.31	47.95	48.36	38.35	48.36	44.06	41.32	41.32
Texas	Houston	51.22	48.37	48.40	47.98	47.20	44.06	44.06	38.35	44.06	44.06	41.13	41.13
Texas	San Antonio	49.99	47.38	47.31	46.93	47.71	43.85	43.85	38.35	43.85	43.91	41.18	41.13
Utah	Logan	19.92	19.90	19.90	26.53	26.50	26.50	26.83	25.17	27.41	25.00	26.68	27.89
Virginia	Richmond	38.50	38.50	38.50	38.50	38.50	38.50	38.50	38.50	38.50	38.50	50.79	50.79
Virginia	Smithfield	29.25	29.25	29.25	30.00	30.00	30.00	40.00	40.00	40.00	40.00	47.20	47.20
Washington	Everett	42.08	42.08	42.08	46.67	46.67	46.67	46.67	43.25	46.67	43.25	50.09	50.09
Washington	Seattle	33.08	33.08	32.98	32.98	32.98	32.98	32.98	32.98	32.98	32.98	32.98	32.98
West Virginia	Huntington	42.00	42.00	42.00	42.00	42.00	42.00	42.00	42.00	42.00	42.00	44.10	44.10
Wisconsin	Milwaukee	34.87	34.87	34.87	34.90	34.90	35.52	47.52	45.00	58.08	55.00	51.90	51.90
Wisconsin	Racine	34.70	34.70	34.70	34.74	34.74	35.52	47.30	55.00	57.81	55.00	51.90	51.90

¹ Rates include additional monthly taxes and surcharges.

² Revised figures.

³ Subject to revision.

Table 1.6
Comparison of Standard Local Telephone Rates to Lifeline and Link-Up Rates
(As of October 15, 2004)

	Standard Rate in Cities with Subsidy Plan	Subsidy-Plan Rate	Benefit
	(a)	(b)	(a) - (b)
Representative Monthly Charge ¹	\$14.53	\$8.52	\$6.02
Federal and State Subscriber Line Charges	5.81	0.14	5.67
Taxes, 911 and Other Charges	3.97	1.83	2.14
Total Monthly Charge ²	\$24.31	\$10.49	\$13.82
Basic Connection Charge	\$39.26	\$12.96	\$26.30
Taxes	3.32	1.12	2.21
Total Connection Charge ²	\$42.59	\$14.08	\$28.51

Note: Detail may not add to totals due to rounding.

¹ All standard rates reflect flat-rate service. Subsidy plan rates reflect flat-rate subsidized service where available and subsidized measured/message service with 100 calls elsewhere.

² Averages are for the 95 cities with subsidized monthly rates and connection assistance plans.

Table 1.7
Lifeline and Link-Up Rates in the Sample Cities
(As of October 15, 2004)

State	City	Telephone Company	Monthly Telephone Rate ¹ Including Surcharges and Taxes		Connection Charge Including Surcharges and Taxes	
			Standard Rates	Lifeline Rates	Standard Rates	Link-Up Rates
Alabama	Huntsville	BellSouth	\$26.84	\$11.14	\$40.00	\$20.00
Alaska	Anchorage	Anchorage	21.61	1.64	53.50	0.00
Arizona	Tucson	Qwest	22.66	9.68	27.50	15.31
Arkansas	Pine Bluff	SBC	27.53	14.37	45.00	22.50
Arkansas	West Memphis	SBC	33.55	20.17	45.00	22.50
California	Anaheim	SBC	16.05	10.50	33.01	17.81
California	Bakersfield	SBC	16.05	10.50	33.01	17.81
California	Fresno	SBC	16.05	10.50	33.01	17.81
California	Long Beach	Verizon	28.47	5.44	46.00	11.55
California	Los Angeles	SBC	16.05	10.50	33.01	17.81
California	Oakland	SBC	16.05	10.50	33.01	17.81
California	San Bernadino	Verizon	28.92	5.54	46.00	11.74
California	San Diego	SBC	16.05	10.50	33.01	17.81
California	San Francisco	SBC	16.05	10.50	33.01	17.81
California	San Jose	SBC	16.05	10.50	33.01	17.81
Colorado	Boulder	Qwest	27.17	6.56	35.00	20.10
Colorado	Colorado Springs	Qwest	24.68	6.08	35.00	18.55
Colorado	Denver	Qwest	25.62	6.10	35.00	19.14
Connecticut	Ansonia	SBC	22.15	11.18	65.00	35.00
Connecticut	Norwalk	SBC	21.08	10.10	65.00	35.00
District of Columbia	Washington	Verizon	21.46	4.49	21.00	12.55
Florida	Miami	BellSouth	21.14	6.14	40.88	22.08
Florida	Tampa	Verizon	22.27	6.36	55.00	30.58
Florida	West Palm Beach	BellSouth	20.65	5.24	40.88	22.02
Georgia	Albany	BellSouth	25.91	10.66	42.50	21.25
Georgia	Atlanta	BellSouth	28.90	13.58	42.50	21.25
Hawaii	Honolulu	Verizon	26.23	15.42	45.50	26.95
Illinois	Chicago	SBC	21.78	14.04	39.40	9.70
Illinois	Decatur	SBC	28.78	21.12	39.40	9.70
Illinois	Rock Island	SBC	28.53	20.87	39.40	9.70
Indiana	Indianapolis	SBC	19.74	11.82	47.00	0.00
Indiana	Terre Haute	Verizon	25.95	16.08	57.20	31.18
Iowa	Fort Dodge	Frontier	19.90	10.00	12.95	6.48
Kentucky	Louisville	BellSouth	28.87	13.48	42.00	22.26
Louisiana	Baton Rouge	BellSouth	23.28	13.85	41.00	22.18
Louisiana	New Orleans	BellSouth	22.12	12.80	41.00	21.12
Maine	Portland	Verizon	27.28	9.67	44.75	10.80
Maryland	Baltimore	Verizon	27.94	7.78	44.25	16.68
Massachusetts	Boston	Verizon	29.88	8.86	13.50	7.29
Massachusetts	Hyannis	Verizon	29.88	8.86	13.50	7.29
Massachusetts	Springfield	Verizon	29.88	8.86	13.50	7.29
Michigan	Detroit	SBC	27.45	15.95	42.25	0.00
Michigan	Grand Rapids	SBC	25.11	13.81	42.25	0.00
Michigan	Saginaw	SBC	27.27	16.27	42.25	0.00
Minnesota	Detroit Lakes	Qwest	21.69	11.88	18.35	9.78
Minnesota	Minneapolis	Qwest	22.67	12.85	18.35	9.82
Mississippi	Pascagoula	BellSouth	28.73	13.18	46.00	24.61
Missouri	Kansas City	SBC	19.81	8.77	36.19	18.10
Missouri	Mexico	SBC	18.40	7.09	36.19	18.10
Missouri	St. Louis	SBC	20.23	8.98	36.19	18.10
Montana	Butte	Qwest	26.02	6.93	26.00	13.00
Nebraska	Grand Island	Qwest	28.75	16.38	33.00	18.80
New Jersey	Phillipsburg	Verizon	17.09	1.58	42.35	23.09

Table 1.7
Lifeline and Link-Up Rates in the Sample Cities - Continued
(As of October 15, 2004)

State	City	Telephone Company	Monthly Telephone Rate ¹ Including Surcharges and Taxes		Connection Charge Including Surcharges and Taxes	
			Standard Rates	Lifeline Rates	Standard Rates	Link-Up Rates
New Mexico	Alamogordo	Qwest	23.74	5.26	30.00	8.02
New York	Binghamton	Verizon	30.44	13.50	55.00	5.60
New York	Buffalo	Verizon	34.47	17.74	55.00	5.70
New York	Massena	Verizon	28.65	10.28	55.00	5.57
New York	New York City	Verizon	31.67	13.72	55.00	5.69
New York	Ogdensburg	Verizon	29.42	10.56	55.00	5.72
New York	Rochester	Frontier - Rochester	20.44	8.46	33.32	10.00
North Carolina	Raleigh	BellSouth	23.32	7.97	42.75	22.66
North Carolina	Rockingham	BellSouth	22.15	6.80	42.75	22.66
Ohio	Canton	SBC	22.14	8.58	36.50	0.00
Ohio	Cincinnati	Cincinnati Bell	23.61	10.37	25.70	0.00
Ohio	Cleveland	SBC	22.45	8.70	36.50	0.00
Ohio	Columbus	SBC	22.19	8.60	36.50	0.00
Ohio	Toledo	SBC	22.29	8.64	36.50	0.00
Oregon	Corvallis	Qwest	22.67	7.39	16.50	8.99
Oregon	Portland	Qwest	22.66	7.38	16.50	8.99
Pennsylvania	Allentown	Verizon	22.10	8.67	40.00	21.80
Pennsylvania	Ellwood City	Verizon	22.53	9.10	40.00	21.80
Pennsylvania	Johnstown	Verizon	23.12	9.15	52.70	28.72
Pennsylvania	New Castle	Verizon	20.73	7.30	40.00	21.80
Pennsylvania	Philadelphia	Verizon	23.45	9.90	40.00	22.00
Pennsylvania	Pittsburgh	Verizon	23.45	9.90	40.00	22.06
Pennsylvania	Scranton	Verizon	22.10	8.67	40.00	21.80
Rhode Island	Providence	Verizon	30.29	13.40	33.83	18.61
South Carolina	Beaufort	Sprint	23.80	7.77	32.30	16.15
Tennessee	Memphis	BellSouth	23.08	7.01	41.50	24.00
Tennessee	Nashville	BellSouth	22.41	6.68	41.50	22.52
Texas	Brownsville	SBC	19.13	3.89	38.35	19.18
Texas	Corpus Christi	SBC	20.48	3.34	38.35	19.18
Texas	Dallas	SBC	23.14	7.06	38.35	19.18
Texas	Fort Worth	SBC	21.49	5.50	38.35	19.18
Texas	Houston	SBC	21.92	5.27	38.35	19.18
Texas	San Antonio	SBC	19.71	4.92	38.35	19.18
Utah	Logan	Qwest	21.41	5.57	25.00	13.95
Virginia	Richmond	Verizon	31.43	16.97	38.50	25.39
Virginia	Smithfield	Verizon	30.59	13.70	40.00	23.60
Washington	Everett	Verizon	24.49	10.24	43.25	25.05
Washington	Seattle	Qwest	21.33	9.61	31.00	16.49
West Virginia	Huntington	Verizon	23.32	20.35	42.00	0.00
Wisconsin	Milwaukee	SBC	33.84	23.87	51.90	0.00
Wisconsin	Racine	SBC	33.58	23.85	51.90	0.00

¹ Rates are for flat-rate service where available and measured/message service with 100 calls elsewhere. Rates are subject to revision.

Table 1.8
Average Local Rates for Businesses with a Single Line in Urban Areas
(As of October 15, 2004)

	Average Rate	Median Rate ¹
Monthly Charge for Flat-Rate Service ²	\$32.81	\$33.42
Federal and State Subscriber Line Charges	5.84	6.50
Taxes, 911, and Other Charges	7.57	7.07
Total Monthly Charge for Flat-Rate Service	\$46.21	\$46.99
Number of Sample Cities with Flat-Rate Service	53	
Monthly Charge for Measured/Message Service ²	\$17.59	\$18.14
Federal and State Subscriber Line Charges	5.66	6.05
Taxes, 911, and Other Charges	4.90	4.59
Total Monthly Charge for Measured/Message Service	\$28.15	\$28.78
Cost of a 5-Minute Daytime Call	0.10	0.08
Number of Sample Cities with Message/Measured Service	85	
Basic Connection Charge ²	\$67.24	\$62.85
Taxes	6.93	5.71
Total Connection Charge	\$74.17	\$68.56
Additional Charge if Drop Line and Connection Block Needed	13.76	0.00
Lowest-Cost Inside Wiring Maintenance Plan	\$5.25	\$5.75

Note: Detail may not add to totals due to rounding.

¹ Where a rate exists for fewer than 95 cities, the median represents the midpoint rate for those cities which have the service offering.

² Includes additional monthly charges for touch-tone service.

Table 1.9
Average Local Rates for Businesses with a Single Line in Urban Areas
(As of October 15)

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 ¹	2004 ²
Monthly Representative Service Charge ³	\$31.06	\$30.97	\$32.29	\$32.45	\$32.70	\$32.25	\$32.48	\$32.58	\$32.76	\$32.44	\$32.41	\$32.18	\$31.88	\$30.86	\$30.65	\$32.42
Subscriber Line Charges	3.55	3.57	3.57	3.56	3.57	3.57	3.57	3.54	3.54	3.54	3.52	4.39	4.91	5.63	5.76	5.72
Extra for Touch-Tone Service ⁴	2.43	2.35	1.84	1.71	1.67	1.21	0.97	0.82	0.38	0.32	0.25	0.19	0.18	4	4	4
Taxes, 911, and Other Charges	4.21	4.32	4.42	4.57	4.63	4.61	4.79	4.87	4.99	4.97	5.03	5.04	5.45	5.47	5.55	5.62
Total Monthly Charge	\$41.25	\$41.21	\$42.12	\$42.29	\$42.57	\$41.64	\$41.80	\$41.81	\$41.67	\$41.27	\$41.21	\$41.80	\$42.43	\$41.95	\$41.96	\$43.75
Monthly Charge for Flat-Rate Service	\$33.04	\$33.29	\$34.12	\$34.06	\$34.85	\$34.39	\$34.45	\$34.42	\$34.68	\$34.39	\$33.73	\$33.45	\$32.02	\$32.92	\$33.17	\$32.81
Subscriber Line Charges	3.65	3.69	3.70	3.70	3.70	3.70	3.69	3.61	3.61	3.56	3.50	4.35	4.77	5.77	6.03	5.84
Extra for Touch-Tone Service ⁴	2.12	2.11	1.87	1.84	1.76	1.12	1.00	0.89	0.53	0.49	0.47	0.43	0.39	4	4	4
Taxes, 911, and Other Charges	4.90	4.98	5.22	5.34	5.50	5.36	5.58	5.55	5.58	5.63	5.49	5.68	5.98	8.16	7.91	7.57
Total Monthly Charge for Flat-Rate Service	\$43.71	\$44.07	\$44.91	\$44.94	\$45.81	\$44.57	\$44.71	\$44.47	\$44.39	\$44.07	\$43.20	\$43.90	\$43.15	\$46.85	\$47.12	\$46.21
Number of Sample Cities with Flat-Rate Service	59	56	54	54	54	53	53	53	53	54	54	54	54	52	52	53
Monthly Charge for Measured/Message Service 200 Five-Minute, Business-Day, Same-Zone Calls	\$16.18	\$16.17	\$16.76	\$16.55	\$16.60	\$16.74	\$17.06	\$17.26	\$17.28	\$17.16	\$17.06	\$16.92	\$17.16	\$17.56	\$17.21	\$17.59
Subscriber Line Charges	16.11	16.19	16.70	17.23	17.57	17.38	17.15	17.10	17.18	17.15	17.24	17.63	17.56	16.78	17.17	19.36
Extra for Touch-Tone Service ⁴	3.54	3.55	3.55	3.54	3.55	3.55	3.54	3.51	3.51	3.53	3.52	4.39	4.90	5.56	5.65	5.66
Tax, Including 911 Charges	2.48	2.39	1.87	1.73	1.68	1.22	0.98	0.83	0.39	0.33	0.25	0.20	0.19	4	4	4
	4.41	4.53	4.56	4.77	4.86	4.83	5.01	5.13	5.22	5.19	5.28	5.32	5.76	4.71	4.78	4.90
Total Monthly Charge for Measured/Message Service	\$42.72	\$42.83	\$43.44	\$43.82	\$44.26	\$43.72	\$43.75	\$43.84	\$43.57	\$43.35	\$43.35	\$44.45	\$45.57	\$44.61	\$44.82	\$47.51
Number of Sample Cities with Measured/Message Service	83	83	84	84	84	87	87	86	85	85	85	85	85	86	85	85
Cost of a Five-Minute, Business-Day, Same-Zone Cal	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.10
Basic Connection Charge	\$71.05	\$71.36	\$72.75	\$72.55	\$71.41	\$69.88	\$67.87	\$68.47	\$68.67	\$65.83	\$67.87	\$67.77	\$67.04	\$67.29	\$67.23	\$67.24
Additional Connection Charge for Touch-Tone Service ⁴	1.70	1.89	1.13	1.19	1.17	0.92	0.27	0.17	0.17	0.12	0.12	0.12	0.12	4	4	4
Tax, Including 911 Charges	4.06	4.15	4.32	4.33	4.25	4.13	4.17	4.20	4.45	4.13	4.53	4.40	4.69	5.09	6.95	6.93
Total Connection Charge	\$76.81	\$77.40	\$78.20	\$78.07	\$76.83	\$74.93	\$72.31	\$72.85	\$73.29	\$70.09	\$72.55	\$72.29	\$71.86	\$72.39	\$74.18	\$74.17
Additional Charge if Drop Line and Connection Block Needed	\$5.92	\$7.87	\$6.90	\$6.83	\$6.64	\$6.49	\$7.28	\$6.98	\$6.54	\$6.54	\$6.65	\$6.62	\$6.62	\$6.52	\$13.43	\$13.76
Lowest-Cost Inside Wiring Maintenance Plan	\$1.78	\$1.91	\$2.05	\$2.03	\$2.08	\$2.26	\$2.39	\$2.63	\$2.84	\$3.04	\$3.53	\$3.92	\$4.86	\$4.73	\$4.65	\$5.25

Note: Details may not add to totals due to rounding.

¹ Revised.

² Subject to revision.

³ Rates are based on flat-rate service where available and measured/message service with 200 five-minute, same-zone, business-day calls elsewhere.

⁴ Starting in 2002, additional monthly charges for touch-tone service are included in the monthly charge.

Table 1.10
Telephone Rates in the Sample Cities for a Business with a Single Line
(As of October 15, 2004)

State	City	Telephone Company	Monthly Telephone Rate Including Touch-Tone, Surcharges, and Taxes		Cost of a Five-Minute Same-Zone Daytime Call	Connection Charges Including Touch-Tone, Surcharges, and Taxes
			Flat-Rate Service	Measured/Message Service		
Alabama	Huntsville	BellSouth	\$49.59	\$35.77	\$0.17	\$69.00
Alaska	Anchorage	Anchorage	35.68			56.50
Arizona	Tucson	Qwest	42.54			47.30
Arkansas	Pine Bluff	SBC	47.10	31.05	0.07	93.43
Arkansas	West Memphis	SBC	58.67	28.79	0.07	94.55
California	Anaheim	SBC		16.47	0.01	72.92
California	Bakersfield	SBC		16.28	0.01	72.92
California	Fresno	SBC		16.27	0.01	72.83
California	Long Beach	Verizon		30.75	0.08	101.34
California	Los Angeles	SBC		16.27	0.07	72.92
California	Oakland	SBC		16.27	0.07	72.92
California	Salinas	SBC		16.27	0.07	72.92
California	San Bernadino	Verizon		31.24	0.08	100.07
California	San Diego	SBC		16.27	0.07	72.92
California	San Francisco	SBC		16.27	0.07	72.92
California	San Jose	SBC		16.27	0.07	72.92
Colorado	Boulder	Qwest	51.27	30.97	0.13	62.03
Colorado	Colorado Springs	Qwest	46.04	28.06	0.13	57.23
Colorado	Denver	Qwest	48.31	29.21	0.11	59.05
Connecticut	Ansonia	SBC	47.11	29.33	0.18	79.50
Connecticut	Norwalk	SBC	44.17	29.33	0.18	79.50
District of Columbia	Washington	Verizon		22.08	0.08	99.49
Florida	Miami	BellSouth	44.70	40.97	0.06	64.58
Florida	Tampa	Verizon	45.17	35.32	0.10	81.30
Florida	West Palm Beach	BellSouth	43.13	39.01	0.06	64.42
Georgia	Albany	BellSouth	46.47	39.55	0.12	58.25
Georgia	Atlanta	BellSouth	64.22			58.25
Hawaii	Honolulu	Verizon	51.52			53.91
Illinois	Chicago	SBC		12.88	0.10	58.42
Illinois	Decatur	SBC		20.46	0.10	57.98
Illinois	Rock Island	SBC		20.16	0.10	57.98
Indiana	Indianapolis	SBC	50.22	37.51	0.16	59.00
Indiana	Terre Haute	Verizon	41.47			71.40
Iowa	Fort Dodge	Frontier	29.78			21.81
Kentucky	Louisville	BellSouth	45.60			77.38
Louisiana	Baton Rouge	BellSouth	46.00	42.49	0.05	91.93
Louisiana	New Orleans	BellSouth	43.59	40.44	0.06	87.55
Maine	Portland	Verizon	46.38			60.48
Maryland	Baltimore	Verizon		24.52	0.09	115.29
Massachusetts	Boston	Verizon		26.22	0.12	100.46
Massachusetts	Hyannis	Verizon	55.13	26.22	0.12	100.46
Massachusetts	Springfield	Verizon		26.22	0.12	100.46
Michigan	Detroit	SBC		24.54	0.09	46.90
Michigan	Grand Rapids	SBC		22.86	0.09	44.78
Michigan	Saginaw	SBC		26.36	0.09	44.78
Minnesota	Detroit Lakes	Qwest	44.26	29.70	0.10	51.01
Minnesota	Minneapolis	Qwest	54.01	39.29	0.10	51.25
Mississippi	Pascagoula	BellSouth	50.71	43.33	0.09	71.69
Missouri	Kansas City	SBC	51.85	28.02	0.08	61.38
Missouri	Mexico	SBC	36.95	26.17	0.08	59.45
Missouri	St. Louis	SBC	51.34	28.67	0.08	62.56
Montana	Butte	Qwest	44.39	29.35	0.05	61.25
Nebraska	Grand Island	Qwest	40.06	29.41	0.10	51.28
New Jersey	Phillipsburg	Verizon		22.89	0.07	87.50

Table 1.10
Telephone Rates in the Sample Cities for a Business with a Single Line - Continued
(As of October 15, 2004)

State	City	Telephone Company	Monthly Telephone Rate Including Touch-Tone, Surcharges, and Taxes		Cost of a Five-Minute Same-Zone Daytime Call	Connection Charges Including Touch-Tone, Surcharges, and Taxes
			Flat-Rate Service	Measured/Message Service		
New Mexico	Alamogordo	Qwest	47.57	29.92	0.15	57.70
New York	Binghamton	Verizon		30.58	0.10	120.90
New York	Buffalo	Verizon		29.44	0.10	121.00
New York	Massena	Verizon		28.70	0.10	119.94
New York	New York City	Verizon		30.08	0.10	121.27
New York	Ogdensburg	Verizon		29.47	0.10	123.12
New York	Rochester	Frontier		20.39	0.09	54.96
North Carolina	Raleigh	BellSouth	53.63			68.90
North Carolina	Rockingham	BellSouth	44.17			68.90
Ohio	Canton	Ameritech		38.19	0.08	62.85
Ohio	Cincinnati	Cincinnati Bell	53.79	37.31	0.15	49.75
Ohio	Cleveland	SBC		33.71	0.08	62.85
Ohio	Columbus	SBC		33.33	0.08	62.85
Ohio	Toledo	SBC		35.69	0.08	62.85
Oregon	Corvallis	Qwest	37.49	28.51	0.15	33.79
Oregon	Portland	Qwest	37.48	28.50	0.15	33.79
Pennsylvania	Allentown	Verizon		33.06	0.07	81.75
Pennsylvania	Ellwood City	Verizon		35.79	0.07	81.75
Pennsylvania	Johnstown	Verizon		24.05	0.15	62.24
Pennsylvania	New Castle	Verizon		35.79	0.07	81.75
Pennsylvania	Philadelphia	Verizon		27.59	0.07	82.50
Pennsylvania	Pittsburgh	Verizon		27.59	0.07	82.50
Pennsylvania	Scranton	Verizon		33.06	0.07	81.75
Rhode Island	Providence	Verizon		31.01	0.02	49.07
South Carolina	Beaufort	Sprint	41.54	28.00	0.12	35.60
Tennessee	Memphis	BellSouth	56.40	42.15	0.12	67.64
Tennessee	Nashville	BellSouth	54.56	41.08	0.12	64.06
Texas	Brownsville	SBC	36.50	27.59	0.08	62.22
Texas	Corpus Christi	SBC	39.16	30.25	0.08	62.00
Texas	Dallas	SBC	51.97	40.54	0.08	62.22
Texas	Fort Worth	SBC	44.72	34.38	0.08	62.22
Texas	Houston	SBC	47.80	36.48	0.08	62.22
Texas	San Antonio	SBC	39.69	30.09	0.08	62.00
Utah	Logan	Qwest	30.09	27.11	0.08	55.78
Virginia	Richmond	Verizon	78.58	28.67	0.19	84.42
Virginia	Smithfield	Verizon	52.87	38.61	0.16	47.20
Washington	Everett	Verizon	43.83	29.94	0.02	75.85
Washington	Seattle	Qwest	40.18	30.32	0.07	55.55
West Virginia	Huntington	Verizon	65.32	33.29	0.16	82.97
Wisconsin	Milwaukee	SBC		23.94	0.09	68.27
Wisconsin	Racine	SBC		24.20	0.09	67.95

Table 1.11
Monthly Telephone Rates in the Sample Cities for a Business with a Single Line ¹
(As of October 15)

State	City	1994	1995	1996	1997	1998	1999	2000	2002	2003	2004
Alabama	Huntsville	\$60.55	\$56.15	\$53.46	\$50.90	\$48.40	\$45.97	\$46.91	\$48.97	\$49.86	\$49.59
Alaska	Anchorage	31.04	31.05	31.05	31.08	31.12	31.11	31.11	35.57	35.68	35.68
Arizona	Tucson	40.72	41.73	41.71	42.00	42.00	42.01	42.68	44.17	43.27	42.54
Arkansas	Pine Bluff	41.10	40.91	41.05	41.13	41.13	41.39	42.53	45.51	45.70	47.10
Arkansas	West Memphis	53.30	53.70	53.85	53.03	53.80	54.14	55.06	58.66	58.61	58.67
California	Anaheim	29.10	30.43	30.65	30.25	30.28	28.34	27.20	18.92	19.00	18.47
California	Bakersfield	29.15	31.06	31.29	30.64	30.92	28.23	27.20	18.92	17.72	18.28
California	Fresno	29.97	31.06	31.29	31.10	30.92	28.11	27.78	19.49	17.72	30.27
California	Long Beach	36.92	43.95	43.84	40.67	43.84	43.84	44.81	43.22	46.67	46.75
California	Los Angeles	31.38	33.36	33.60	31.75	33.16	30.24	30.55	18.92	17.72	30.27
California	Oakland	30.67	32.63	32.86	NA	32.45	29.58	29.24	18.92	17.72	30.27
California	Salinas	31.00	32.97	33.21	31.10	32.79	29.94	29.54	18.82	17.72	30.27
California	San Bernadino	36.41	43.35	43.25	43.29	43.25	43.25	44.20	43.20	47.43	47.24
California	San Diego	28.54	30.43	30.65	30.56	30.30	27.62	27.20	18.92	17.72	30.27
California	San Francisco	31.18	32.63	33.38	33.29	32.45	29.58	29.24	18.92	17.72	30.27
California	San Jose	29.96	31.90	32.13	32.02	31.33	28.93	28.56	18.92	17.72	30.27
Colorado	Boulder	46.88	47.16	47.15	47.03	46.94	45.52	46.25	51.01	51.75	51.27
Colorado	Colorado Springs	44.27	43.82	44.42	44.42	44.40	42.87	43.51	45.89	46.41	46.04
Colorado	Denver	46.69	46.68	46.65	46.59	46.57	45.22	45.89	48.48	49.00	48.31
Connecticut	Ansonia	40.76	43.70	43.70	43.70	43.65	44.39	45.67	47.38	47.30	47.11
Connecticut	Norwalk	37.91	40.86	40.86	40.86	40.70	41.46	42.72	44.47	44.36	44.17
District of Columbia	Washington	35.32	33.37	39.17	37.84	34.85	35.81	36.34	36.18	39.16	39.08
Florida	Miami	40.65	40.65	40.67	40.13	37.40	40.64	41.63	43.86	44.75	44.70
Florida	Tampa	37.66	37.87	41.09	41.09	41.18	41.18	42.21	44.98	45.39	45.17
Florida	West Palm Beach	39.47	37.39	38.13	38.67	40.66	37.38	38.60	41.76	42.57	43.13
Georgia	Albany	39.74	39.74	41.00	41.00	41.15	41.70	42.98	45.16	46.80	46.47
Georgia	Atlanta	53.64	58.82	58.87	58.87	58.81	58.81	60.25	62.60	64.84	64.22
Hawaii	Honolulu	42.74	44.39	46.09	47.32	47.32	47.32	48.20	49.63	51.85	51.52
Illinois	Chicago	34.12	32.12	31.91	31.91	33.74	35.12	36.12	33.08	33.23	32.88
Illinois	Decatur	38.01	35.96	35.71	35.15	40.17	42.49	43.49	40.50	20.81	40.46
Illinois	Rock Island	38.64	36.58	36.58	35.77	40.79	42.02	43.08	40.24	40.51	40.16
Indiana	Indianapolis	57.46	56.78	55.84	55.84	55.84	56.07	57.27	59.03	54.51	50.22
Indiana	Terre Haute	47.07	47.07	47.03	47.03	43.91	43.91	37.99	41.96	41.46	41.47
Iowa	Fort Dodge	22.44	22.44	22.44	22.44	25.95	25.34	26.26	28.81	29.25	29.78
Kentucky	Louisville	60.96	61.01	55.87	56.84	45.27	45.33	48.75	45.12	45.80	45.60
Louisiana	Baton Rouge	48.55	49.50	47.76	46.12	45.40	41.53	42.43	45.72	47.26	46.00
Louisiana	New Orleans	50.21	50.21	46.30	46.34	45.64	41.30	42.22	43.31	43.96	43.59
Maine	Portland	40.54	38.63	38.82	39.75	41.33	43.06	43.78	48.37	49.12	46.38
Maryland	Baltimore	43.57	43.57	43.57	43.60	43.16	43.12	44.14	41.28	42.69	42.52
Massachusetts	Boston	43.22	42.78	42.78	42.78	42.78	42.78	42.99	42.67	47.00	50.22
Massachusetts	Hyannis	46.92	46.92	46.92	48.38	48.38	48.38	47.72	42.67	47.00	55.13
Massachusetts	Springfield	43.22	38.89	38.89	38.89	38.89	38.89	39.31	42.67	47.00	50.22
Michigan	Detroit	37.02	37.81	40.89	40.89	38.32	40.68	43.28	42.49	42.46	42.54
Michigan	Grand Rapids	35.29	36.02	35.81	35.88	36.66	37.57	39.97	41.18	41.12	40.86
Michigan	Saginaw	35.11	36.59	37.95	39.14	37.46	38.35	40.71	44.92	44.61	44.36
Minnesota	Detroit Lakes	42.35	42.41	42.41	42.28	42.28	42.29	43.22	44.97	44.98	44.26
Minnesota	Minneapolis	54.91	54.98	54.98	54.85	54.85	52.05	52.99	54.71	54.72	54.01
Mississippi	Pascagoula	57.33	57.33	57.41	56.16	55.88	55.88	54.51	50.20	50.85	50.71
Missouri	Kansas City	46.02	45.57	45.57	45.15	45.15	45.34	46.37	49.29	48.48	51.85
Missouri	Mexico	32.28	36.13	36.13	36.29	36.29	36.29	37.64	37.10	37.46	36.95
Missouri	St. Louis	46.02	45.15	45.15	45.10	45.10	45.40	46.64	49.81	49.90	51.34
Montana	Butte	43.82	43.82	43.82	44.07	45.36	42.29	41.84	44.62	44.91	44.39
Nebraska	Grand Island	47.87	47.84	47.79	47.79	47.57	49.51	44.78	40.91	40.65	40.06
New Jersey	Phillipsburg	27.58	27.58	26.65	26.51	27.86	27.86	28.79	30.48	30.85	31.64

Table 1.11
Monthly Telephone Rates in the Sample Cities for a Business with a Single Line - Continued ¹
(As of October 15)

State	City	1994	1995	1996	1997	1998	1999	2000	2002	2003 ²	2004 ³
New Mexico	Alamogordo	55.84	56.03	56.20	56.37	56.37	50.20	44.55	47.53	48.03	47.57
New York	Binghamton	51.24	49.77	49.68	48.07	45.44	48.03	47.91	48.56	49.01	50.58
New York	Buffalo	50.80	50.58	50.49	49.12	49.08	48.82	48.69	48.06	49.51	49.44
New York	Massena	49.67	49.46	49.37	49.09	49.05	47.74	47.61	45.57	48.84	48.70
New York	New York	51.13	50.92	50.73	50.07	48.03	49.05	48.91	48.56	50.22	50.08
New York	Ogdensburg	51.07	50.85	50.76	49.78	47.74	49.08	48.95	48.31	49.62	49.47
New York	Rochester	49.84	48.28	48.28	48.86	48.82	44.30	44.77	38.59	38.62	38.59
North Carolina	Raleigh	41.76	41.53	40.74	39.94	39.96	39.96	40.86	42.59	45.16	53.63
North Carolina	Rockingham	36.42	36.11	35.32	34.52	34.52	34.52	36.08	41.31	44.23	44.17
Ohio	Canton	44.48	44.22	44.22	44.22	43.11	43.96	44.84	46.31	46.53	48.35
Ohio	Cincinnati	53.19	52.99	52.99	51.88	51.37	51.73	55.48	53.94	54.16	53.79
Ohio	Cleveland	44.48	43.19	42.16	43.38	40.23	40.20	40.20	41.71	41.79	43.87
Ohio	Columbus	44.48	43.19	42.16	42.16	40.23	40.20	40.20	41.68	41.79	43.49
Ohio	Toledo	44.48	44.22	44.22	42.16	42.29	41.23	42.11	43.74	43.85	45.85
Oregon	Corvallis	39.69	36.99	39.56	39.58	39.83	39.97	38.11	39.55	37.86	37.49
Oregon	Portland	46.18	42.79	42.29	42.04	42.00	42.00	42.88	41.86	38.85	37.48
Pennsylvania	Allentown	35.98	37.34	37.34	36.53	37.26	37.26	38.15	45.34	47.21	47.06
Pennsylvania	Ellwood City	36.52	36.52	38.81	39.99	39.99	39.99	40.88	47.92	49.94	49.79
Pennsylvania	Johnstown	37.70	37.37	37.72	37.26	40.01	40.01	40.94	32.69	38.31	38.05
Pennsylvania	New Castle	38.81	38.81	38.81	38.53	39.99	39.99	40.88	47.92	31.41	49.79
Pennsylvania	Philadelphia	30.63	30.63	28.55	29.99	31.53	31.53	32.42	39.94	41.49	41.59
Pennsylvania	Pittsburgh	30.63	31.72	31.72	31.72	31.53	34.26	35.15	39.94	41.75	41.59
Pennsylvania	Scranton	35.98	35.98	37.34	37.26	37.26	37.26	38.15	45.34	47.21	47.06
Rhode Island	Providence	48.44	48.44	47.82	47.82	47.16	70.51	71.44	70.03	35.17	35.01
South Carolina	Beaufort	38.69	38.04	38.04	38.04	38.69	38.69	39.60	42.30	42.19	41.54
Tennessee	Memphis	54.70	54.70	54.95	54.95	54.95	54.69	55.71	55.12	55.77	56.40
Tennessee	Nashville	52.35	52.35	52.35	52.35	53.77	53.52	54.47	53.58	54.77	54.56
Texas	Brownsville	29.23	31.23	31.23	33.82	35.26	31.44	33.83	36.37	35.94	36.50
Texas	Corpus Christi	31.90	31.82	31.85	31.01	30.95	29.92	31.16	37.96	39.23	39.16
Texas	Dallas	38.66	38.65	38.49	33.35	34.54	38.59	39.11	45.70	50.01	51.97
Texas	Fort Worth	34.44	34.50	34.27	37.51	38.81	34.83	37.25	38.47	42.69	44.72
Texas	Houston	41.27	41.37	40.35	39.48	42.85	42.85	39.87	49.45	47.76	47.80
Texas	San Antonio	34.19	34.14	33.86	30.95	30.95	31.56	33.12	39.00	39.81	39.69
Utah	Logan	31.88	31.93	30.22	30.14	28.46	27.82	29.56	32.12	31.37	30.09
Virginia	Richmond	75.06	75.06	72.53	72.53	NA	74.56	77.97	78.63	78.74	78.58
Virginia	Smithfield	30.08	30.08	30.08	29.98	29.98	29.98	30.94	50.23	52.89	52.87
Washington	Everett	39.98	39.98	39.98	39.98	39.98	41.37	42.31	43.98	44.05	43.83
Washington	Seattle	37.03	37.03	37.03	37.19	36.47	36.47	37.42	40.82	40.92	40.18
West Virginia	Huntington	73.39	73.39	75.05	73.03	72.02	72.02	67.31	60.60	60.90	65.32
Wisconsin	Milwaukee	37.48	37.48	37.51	39.69	39.69	40.80	41.15	41.04	40.84	41.94
Wisconsin	Racine	39.40	39.12	39.16	39.53	39.52	40.63	40.97	41.91	40.82	42.20

¹ Rates are based upon flat-rate service where available and measured/message service with 200 five-minute, same-zone, business day calls.

² Revised.

³ Subject to revision.

Table 1.12
Connection Charges for a Single Business Line in the Sample Cities ¹
(As of October 15)

State	City	1994	1995	1996	1997	1998	1999	2001	2002	2003 ²	2004 ³
Alabama	Huntsville	\$73.62	\$73.62	\$69.00	\$69.00	\$69.00	\$69.00	\$69.00	\$69.00	\$69.00	69.00
Alaska	Anchorage	30.75	30.75	30.75	30.75	53.00	53.00	53.00	65.70	65.70	56.50
Arizona	Tucson	62.31	62.47	58.91	58.91	58.91	60.03	61.48	53.80	47.30	47.30
Arkansas	Pine Bluff	93.44	92.94	93.27	93.19	93.22	93.43	93.43	93.43	93.43	93.43
Arkansas	West Memphis	93.60	94.24	94.51	94.61	94.30	94.55	94.55	94.55	94.55	94.55
California	Anaheim	69.87	71.64	72.23	73.16	71.10	71.10	66.10	72.92	72.92	72.92
California	Bakersfield	69.87	71.64	72.23	73.16	71.10	69.80	66.10	72.92	72.92	72.92
California	Fresno	69.87	71.64	72.23	73.16	71.10	69.80	66.10	72.92	72.92	72.83
California	Long Beach	80.20	84.33	92.51	92.51	92.51	92.40	93.30	101.34	101.34	101.34
California	Los Angeles	69.87	71.64	72.23	73.16	71.10	69.80	66.10	73.93	73.93	72.92
California	Oakland	69.87	71.64	72.23	73.16	71.10	69.80	66.10	72.92	72.92	72.92
California	Salinas	69.87	71.64	72.23	73.16	71.10	69.80	66.10	72.92	72.92	72.92
California	San Bernadino	80.20	84.33	91.25	91.25	91.25	91.13	92.03	100.07	100.07	100.07
California	San Diego	69.87	71.64	72.23	73.16	71.10	69.80	66.10	72.92	72.92	72.92
California	San Francisco	69.87	71.64	72.23	73.16	71.10	69.80	66.10	72.92	72.92	72.92
California	San Jose	69.87	71.64	72.23	73.16	71.10	69.80	66.10	72.92	72.92	72.92
Colorado	Boulder	74.84	74.91	75.08	75.08	75.08	60.94	59.54	61.94	61.94	62.03
Colorado	Colorado Springs	72.80	72.80	72.80	72.80	72.80	58.97	57.67	56.11	57.23	57.23
Colorado	Denver	75.11	75.11	75.11	75.11	75.11	60.84	59.45	59.05	59.05	59.05
Connecticut	Ansonia	68.90	68.90	68.90	68.90	68.90	68.90	68.90	79.50	79.50	79.50
Connecticut	Norwalk	68.90	68.90	68.90	68.90	68.90	68.90	68.90	79.50	79.50	79.50
District of Columbia	Washington	66.03	66.03	83.25	83.25	83.25	83.25	83.25	83.25	99.49	99.49
Florida	Miami	59.92	60.20	60.20	60.20	59.92	60.20	64.45	64.23	64.58	64.58
Florida	Tampa	78.89	78.89	74.07	74.07	74.07	74.07	74.07	81.30	81.30	81.30
Florida	West Palm Beach	59.92	59.92	59.92	59.92	60.20	59.92	64.39	64.18	64.42	64.42
Georgia	Albany	52.25	52.25	52.25	58.25	58.25	58.25	58.25	58.25	58.25	58.25
Georgia	Atlanta	52.25	52.25	52.25	58.25	58.25	58.25	58.25	58.25	58.25	58.25
Hawaii	Honolulu	47.50	47.50	51.47	52.97	52.97	54.97	49.61	44.61	53.91	53.91
Illinois	Chicago	93.03	57.64	57.64	57.64	57.64	59.99	58.42	58.42	58.42	58.42
Illinois	Decatur	93.17	57.72	57.72	57.72	57.72	59.55	57.98	57.98	57.98	57.98
Illinois	Rock Island	93.17	57.72	57.72	57.72	57.72	59.55	57.98	57.98	57.98	57.98
Indiana	Indianapolis	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00	59.00
Indiana	Terre Haute	68.78	68.78	68.78	68.78	68.78	68.78	68.78	68.78	71.40	71.40
Iowa	Fort Dodge	15.65	15.65	15.65	15.65	22.22	21.60	21.57	21.57	21.51	21.81
Kentucky	Louisville	47.50	47.50	73.00	73.00	73.00	73.00	77.38	77.38	77.38	77.38
Louisiana	Baton Rouge	88.06	87.55	87.55	87.55	87.55	87.55	91.80	87.55	91.93	91.93
Louisiana	New Orleans	87.55	87.55	87.55	87.55	87.55	87.55	87.55	87.55	87.55	87.55
Maine	Portland	59.36	59.36	59.36	59.36	59.08	59.08	58.80	58.80	60.48	60.48
Maryland	Baltimore	98.50	98.50	98.50	98.50	87.00	87.00	87.00	87.00	115.29	115.29
Massachusetts	Boston	97.67	97.67	97.67	97.67	97.67	97.67	97.67	97.67	100.46	100.46
Massachusetts	Hyannis	97.67	97.67	97.67	97.67	97.67	97.67	97.67	97.67	100.46	100.46
Massachusetts	Springfield	97.67	97.67	97.67	97.67	97.67	97.67	97.67	97.67	100.46	100.46
Michigan	Detroit	44.52	44.52	44.52	44.52	44.52	46.62	46.62	46.62	46.62	46.90
Michigan	Grand Rapids	43.68	44.52	44.52	44.52	44.52	44.52	44.52	44.52	44.52	44.78
Michigan	Saginaw	44.52	44.52	44.52	44.52	44.52	44.52	44.52	44.52	44.52	44.78
Minnesota	Detroit Lakes	49.50	49.50	47.93	51.01	51.01	51.01	51.01	51.01	51.01	51.01
Minnesota	Minneapolis	49.50	49.50	48.15	51.25	51.25	51.25	51.25	51.25	51.25	51.25
Mississippi	Pascagoula	71.69	71.69	71.69	71.69	71.69	71.69	71.69	71.69	71.69	71.69
Missouri	Kansas City	70.78	61.44	61.44	61.50	61.63	61.13	59.69	60.37	60.83	61.38
Missouri	Mexico	68.55	59.70	59.70	59.96	60.80	59.96	59.41	58.96	59.49	59.45
Missouri	St. Louis	70.78	61.63	61.63	61.63	59.96	61.98	61.46	62.13	62.59	62.56
Montana	Butte	61.40	61.40	61.40	61.40	61.40	61.40	61.25	61.25	61.25	61.25
Nebraska	Grand Island	49.05	49.05	49.13	49.13	49.13	51.02	50.83	51.05	51.05	51.28
New Jersey	Phillipsburg	79.50	79.50	80.27	80.27	80.27	80.27	85.09	85.09	87.50	87.50

Table 1.12
Connection Charges for a Single Business Line in the Sample Cities - Continued¹
(As of October 15)

State	City	1994	1995	1996	1997	1998	1999	2001	2002	2003 ²	2004 ³
New Mexico	Alamogordo	57.46	57.47	57.29	57.29	57.29	57.29	57.53	57.57	57.57	57.70
New York	Binghamton	120.48	120.92	120.68	120.46	122.51	120.34	118.64	117.72	120.90	120.90
New York	Buffalo	123.65	123.08	122.85	122.62	123.00	122.51	120.64	117.82	121.00	121.00
New York	Massena	120.77	120.20	119.98	119.75	123.10	119.64	128.76	116.76	119.94	119.94
New York	New York	124.53	123.95	123.45	123.22	120.34	123.10	120.45	118.09	121.27	121.27
New York	Ogdensburg	124.17	123.58	123.35	123.12	119.64	123.00	121.15	119.94	123.12	123.12
New York	Rochester	57.16	55.56	55.56	55.56	57.27	57.27	56.48	54.96	54.96	54.96
North Carolina	Raleigh	64.38	64.38	64.38	66.95	66.95	66.95	66.95	68.90	68.90	68.90
North Carolina	Rockingham	64.38	64.38	64.38	66.95	66.95	66.95	66.95	68.90	68.90	68.90
Ohio	Canton	72.15	62.85	62.85	62.85	62.85	62.85	62.85	62.85	62.85	62.85
Ohio	Cincinnati	55.78	55.78	55.78	55.78	49.75	49.75	49.75	49.75	49.75	49.75
Ohio	Cleveland	72.15	62.85	62.85	62.85	62.85	62.85	62.85	62.85	62.85	62.85
Ohio	Columbus	72.15	62.85	62.85	62.85	62.85	62.85	62.85	62.85	62.85	62.85
Ohio	Toledo	72.15	62.85	62.85	62.85	62.85	62.85	62.85	62.85	62.85	62.85
Oregon	Corvallis	31.00	31.00	31.93	31.93	31.93	31.93	32.86	33.60	33.64	33.79
Oregon	Portland	31.00	31.00	31.00	31.93	31.93	31.93	32.86	33.64	33.64	33.79
Pennsylvania	Allentown	79.50	79.50	79.50	79.50	79.50	79.50	79.50	79.50	81.75	81.75
Pennsylvania	Ellwood City	79.50	79.50	79.50	79.50	79.50	79.50	79.50	79.50	81.75	81.75
Pennsylvania	Johnstown	60.44	60.44	60.44	60.44	60.44	60.44	60.44	78.43	62.24	62.24
Pennsylvania	New Castle	79.50	79.50	79.50	79.50	79.50	79.50	79.50	79.50	81.75	81.75
Pennsylvania	Philadelphia	79.50	79.50	79.50	79.50	79.50	79.50	79.50	79.50	82.50	82.50
Pennsylvania	Pittsburgh	79.50	79.50	79.50	79.50	79.50	79.50	79.50	79.50	82.50	82.50
Pennsylvania	Scranton	79.50	79.50	79.50	79.50	79.50	79.50	79.50	79.50	81.75	81.75
Rhode Island	Providence	46.50	46.50	46.50	46.50	47.73	47.73	47.73	47.73	49.12	49.07
South Carolina	Beaufort	35.60	35.60	35.60	35.60	35.60	35.60	35.60	35.60	35.60	35.60
Tennessee	Memphis	66.80	66.80	67.12	67.12	63.62	66.82	66.65	67.33	67.64	67.64
Tennessee	Nashville	63.62	63.62	63.62	63.62	68.37	63.33	63.33	63.47	64.06	64.06
Texas	Brownsville	64.57	69.00	69.00	68.99	69.45	69.45	69.45	62.22	62.22	62.22
Texas	Corpus Christi	69.45	69.29	69.34	70.72	64.27	64.35	64.35	62.00	62.00	62.00
Texas	Dallas	70.91	70.91	70.61	68.82	64.57	70.80	70.80	62.22	62.22	62.22
Texas	Fort Worth	70.09	70.21	69.75	67.87	70.28	70.87	70.87	62.22	62.22	62.22
Texas	Houston	70.89	70.93	69.18	70.32	71.20	64.57	64.57	62.22	62.22	62.22
Texas	San Antonio	69.45	69.34	68.78	68.78	70.72	64.27	64.27	62.00	62.00	62.00
Utah	Logan	53.06	53.06	53.06	53.00	53.00	53.66	53.30	53.36	53.36	55.78
Virginia	Richmond	64.00	64.00	64.00	64.00	64.00	64.00	64.00	64.00	84.42	84.42
Virginia	Smithfield	29.25	29.25	29.25	29.25	29.25	40.00	40.00	40.00	47.20	47.20
Washington	Everett	57.19	57.19	70.67	70.67	70.67	70.67	70.67	70.67	75.85	75.85
Washington	Seattle	55.25	55.25	55.25	55.45	55.45	55.45	55.29	55.55	55.55	55.55
West Virginia	Huntington	96.90	96.90	96.90	96.90	79.00	79.00	79.00	79.00	82.97	82.97
Wisconsin	Milwaukee	68.21	68.21	68.27	68.27	67.95	68.27	68.27	68.27	68.27	68.27
Wisconsin	Racine	68.21	67.88	67.95	67.95	72.60	67.95	67.95	67.95	67.95	67.95

¹ Charges include touch-tone charges, surcharges, and taxes.

² Revised figures.

³ Subject to revision.

Table 1.13
Standard Deviation Analysis of Residential Rates in the Sample Cities
(as of October 15, 2004)

a.	Maximum Charge	\$34.47
b.	Minimum Charge	\$16.05
c.	Representative Monthly Charge (Weighted Average)	\$24.31
d.	Weighted Standard Deviation (Std Dev)	\$4.95
e.	Average + 2*(Std Dev) (= c + 2d)	\$34.21
f.	Percent to Average (= [e/c] * 100)	141%

Table 1.14
Historical Standard Deviation Analysis of Residential Rates in the Sample Cities
(As of October 15)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 ¹	2004 ²
Maximum Rate	\$32.68	\$31.63	\$30.62	\$28.65	\$28.78	\$28.27	\$28.75	\$29.72	\$34.75	\$34.95	\$35.56	\$34.47
Minimum Rate	\$12.18	\$12.18	\$13.04	\$13.04	\$13.05	\$13.05	\$13.05	\$13.21	\$15.31	\$15.93	\$16.30	\$16.05
Representative Monthly Rate (Average)	\$19.95	\$19.81	\$20.01	\$19.95	\$19.88	\$19.76	\$19.93	\$20.78	\$22.62	\$24.07	\$24.65	\$24.31
Weighted Standard Deviation (Std Dev)	\$4.23	\$4.28	\$3.41	\$3.28	\$3.35	\$3.24	\$3.46	\$3.57	\$4.20	\$4.32	\$4.90	\$4.95
Average + 2*(Std Dev)	\$28.41	\$28.38	\$26.84	\$26.51	\$26.58	\$26.24	\$26.85	\$27.92	\$31.01	\$32.71	\$34.45	\$34.21
Percentage to Average	142%	143%	134%	133%	134%	133%	135%	134%	137%	136%	140%	141%
<i>Average + 3*(Std Dev)</i>	<i>\$32.65</i>	<i>\$32.66</i>	<i>\$30.25</i>	<i>\$29.78</i>	<i>\$29.93</i>	<i>\$29.47</i>	<i>\$30.31</i>	<i>\$31.49</i>	<i>\$35.21</i>	<i>\$37.03</i>	<i>\$39.35</i>	<i>\$39.16</i>
<i>Percentage to Average</i>	<i>164%</i>	<i>165%</i>	<i>151%</i>	<i>149%</i>	<i>151%</i>	<i>149%</i>	<i>152%</i>	<i>152%</i>	<i>156%</i>	<i>154%</i>	<i>160%</i>	<i>161%</i>

¹ Revised figures.

² Subject to revision.

Table 1.15
Average Revenue per Minute for Interstate Toll Service Calls

Year	Revenue per Minute
1992	\$0.15
1993	0.15
1994	0.14
1995	0.12
1996	0.12
1997	0.11
1998	0.11
1999	0.11
2000	0.09
2001	0.08
2002	0.07
2003	0.07

Source: Industry Analysis and Technology Division of the Wireline Competition Bureau
Telecommunications Industry Revenues (March 2005).

II. Expenditures on Telephone Service

A. Residential Expenditures

The Bureau of Labor Statistics (BLS) conducts surveys of consumer expenditures, in part, to develop weights for the consumer price indices. The surveys collect income, expenditure, and demographic information for “consumer units.” Consumer units are often referred to as households, but the definition is not identical to households, as defined by the Census Bureau.¹ For instance, there were approximately 110 million consumer units in 2001, compared with approximately 107.7 million households. BLS uses two types of surveys: diary surveys, where household members record most types of purchases for a few weeks; and interview surveys, where households are interviewed to determine their expenditures for the prior three months. Households selected for the interview survey are interviewed in five successive quarters. Tables 2.1 through 2.5 present the annual average total expenditures and telephone expenditures by various demographic classifications.

Prior to 1984, BLS published separate expenditure estimates based on the diary and the interview surveys. At that time, telephone expenditures were collected only through the interview surveys, and average levels of telephone expenditures were published only in the interview summaries. BLS began publishing integrated estimates in 1984, combining information from both types of surveys.

Expenditure data were not collected for rural households for 1980 through 1983. Nationwide expenditure data are available for 1984 through 2002. According to BLS, more than 85 percent of households are in urban areas, and the estimates of telephone expenditures by urban households are similar to estimates for nationwide average telephone expenditures. Nonetheless, 1980 through 1983 data are not completely comparable with subsequent data.

Several changes in the telephone industry make it difficult to interpret changes in the BLS estimates of household expenditures for telephone service. Prior to 1983, most residential telephones were leased from local exchange carriers. As a consequence of the FCC's Computer Inquiry II proceeding, telephone sets were detariffed on January 1, 1984. Existing tariffed equipment became known as "embedded rate base" and much of this equipment was sold “in place” to consumers. Significant amounts of equipment purchases were included on local telephone bills in 1983 and 1984. Telephone bills have not included significant amounts of equipment sales since that time. The remaining Bell System embedded rate base was transferred to AT&T in 1984, but the lease payments were included in local telephone bills into 1987.

The BLS has changed the consumer expenditure survey questionnaires to reflect changes in the equipment market. Beginning in 1982, the survey specifically included telephones and accessories in its list of home furnishings and related household items. Amounts appearing on the telephone bills, however, were included as telephone service until 1986. Thus, the 1983 and 1984 estimates include the sale of the embedded base. The current questionnaire separates equipment sales from other items that appear on telephone bills. The questionnaire does not specifically address payments for leasing telephone equipment, commonly known as customer premises equipment (CPE). CPE lease payments may still be reported as telephone service expenditures.

¹ We also refer to consumer units as “households.”

The consumer expenditure survey continues to classify payments for inside wiring maintenance as part of telephone service. This probably accounts for between \$10 to \$20 of average annual household telephone expenditures. Beginning in 1991, consumers have been asked to separately identify cellular telephone payments. The BLS has not yet published a separate estimate for cellular telephone expenditures, but instead continues to include these with other telephone expenditures.

Table 2.6 presents estimates of annual household telecommunications expenditure by the type of service provider. This table is derived from Bill Harvesting® data collected by TNS Telecoms, which provides information on actual usage in the residential telecom market as collected from the actual telecommunications bills of households. TNS Telecoms, a telecommunications market information firm, conducts nationwide surveys and Bill Harvesting® on a quarterly basis from over 120,000 households each year. The company has donated databases to the Commission containing information on residential phone usage.

B. Business Expenditures

One of the few sources of information on expenditures for telecommunications services by businesses is contained in the input-output (I-O) accounts of the U.S. economy. The accounts are created by the Bureau of Economic Analysis from the economic censuses conducted every five years by the Bureau of the Census. The accounts are generally released about five years after the economic censuses. The accounts show the production of commodities (goods and services) by each industry, the use of commodities by each industry, the commodity composition of gross domestic product, and the industry distribution of value added.

Table 2.7 shows the most recent I-O account of the use of communications by U.S. industry. Table 2.8 presents the most recent account of the commodities used by the U.S. communications industry.

C. Additional Sources of Information on Expenditures for Telephone Service

Additional information from the *Consumer Expenditure Survey* is available from the Bureau of Labor Statistics at www.bls.gov/cex/.

TNS Telecoms has donated databases containing information on residential phone usage collected from actual consumer telecommunications bills to the Commission. TNS Telecoms has granted the Commission permission to use these databases for industry research purposes and to publish the industry level results. TNS Telecoms has been monitoring the telecommunications market since 1995 through both the ReQuest® consumer survey and Bill Harvesting® in the residential market and the BusinessWave® business survey in the business market. Table 2.6 comes from these databases. For additional information visit www.tnstelecoms.com or contact them at 1-866-811-TNST or by e-mail at contact@tnstelecoms.com. Their address is 101 Greenwood Ave, Suite 502, Jenkintown, PA 19046.

Additional information on the input-output accounts of the U.S. economy is available from the Bureau of Economic Analysis at www.bea.doc.gov on the Internet.

Concordance between I-O industry codes and 1987 standard industrial classification (SIC) codes can be found in Appendix A of Benchmark Input-Output Accounts for the U.S. Economy, 1997 in *Survey of Current Business*, November, 1997. The U.S. Census Bureau has since replaced the SIC codes with the North American Industry Classification System (NAICS). Information concerning the conversion from 1987 SIC codes to NAICS can be found at www.census.gov/epcd/naics02/.

The Bureau of the Census publishes the *Service Annual Survey* that also provides some estimates of household and business expenditures on telephone service. This information can be found at www.census.gov on the Internet.

Table 2.1
Average Annual Household Expenditures
by Household Location

	All Households	Urban Households	Rural Households	Census Region			
				Northeast	Midwest	South	West
Total Household Expenditures							
1980	\$16,723	\$16,723		\$17,222	\$16,024	\$16,188	\$17,962
1981	17,558	17,558		17,053	17,324	17,086	19,275
1982	18,071	18,071		16,980	18,143	17,820	19,710
1983	19,692	19,692		19,077	19,580	19,074	21,538
1984	21,975	22,729	\$18,217	21,593	21,167	21,587	24,238
1985	23,490	24,129	20,257	22,808	22,664	23,180	25,961
1986	23,866	24,571	19,677	24,905	22,706	22,545	26,476
1987	24,414	25,063	20,513	25,079	23,021	23,292	27,309
1988	25,892	26,617	21,380	26,348	24,753	24,671	28,830
1989	27,809	28,584	23,106	28,241	26,062	26,232	32,144
1990	28,369	28,989	24,499	28,369	25,919	27,011	32,445
1991	29,614	30,382	24,785	31,026	27,675	28,062	33,131
1992	29,846	30,569	25,347	31,177	28,445	27,750	33,647
1993	30,692	31,431	26,296	31,634	28,884	29,247	34,348
1994	31,731	32,233	28,668	32,549	30,331	30,072	35,318
1995	32,264	33,101	27,160	33,009	31,909	30,289	35,206
1996	33,797	34,502	28,853	34,163	33,025	32,871	35,795
1997	34,819	35,614	29,353	36,070	33,791	32,226	39,037
1998	35,535	36,349	29,813	37,535	34,513	32,958	38,938
1999	37,027	37,905	30,831	38,446	36,337	33,328	42,364
2000	38,045	38,942	31,831	38,902	39,213	34,707	41,328
2001	39,518	40,355	33,681	41,169	39,548	36,285	43,261
2002	40,677	41,600	34,067	42,390	40,601	37,281	44,728
2003	40,817	41,619	35,157	42,162	40,280	37,625	45,381
Household Expenditure for Telephone Service							
1980	\$325	\$325		\$335	\$303	\$339	\$320
1981	360	360		358	353	365	366
1982	375	375		351	364	372	426
1983	415	415		410	393	435	419
1984	435	450	359	433	407	445	458
1985	455	466	402	459	419	457	500
1986	471	478	425	470	444	477	494
1987	499	503	475	501	464	505	532
1988	537	544	493	524	498	545	585
1989	567	577	505	570	532	572	601
1990	592	599	549	589	547	616	611
1991	618	621	601	621	595	616	647
1992	623	629	580	636	589	624	646
1993	658	666	606	677	616	673	664
1994	690	698	642	700	663	690	713
1995	708	720	633	717	706	714	691
1996	772	779	726	763	753	796	764
1997	809	814	773	785	778	839	817
1998	830	834	801	814	801	858	828
1999	849	854	812	846	858	862	822
2000	877	889	790	856	884	891	864
2001	914	927	825	897	914	924	914
2002	957	972	851	952	934	987	936
2003	956	967	875	932	917	1,002	941
Expenditures on Telephone Service as a Percentage of Total Household Expenditures							
1980	1.94%	1.94%		1.95%	1.89%	2.09%	1.78%
1981	2.05	2.05		2.10	2.04	2.14	1.90
1982	2.08	2.08		2.07	2.01	2.09	2.16
1983	2.11	2.11		2.15	2.01	2.28	1.95
1984	1.98	1.98	1.97%	2.01	1.92	2.06	1.89
1985	1.94	1.93	1.98	2.01	1.85	1.97	1.93
1986	1.97	1.95	2.16	1.89	1.96	2.12	1.87
1987	2.04	2.01	2.32	2.02	2.02	2.17	1.95
1988	2.07	2.04	2.31	1.99	2.01	2.21	2.03
1989	2.04	2.02	2.19	2.02	2.04	2.18	1.87
1990	2.09	2.07	2.24	2.08	2.11	2.28	1.88
1991	2.09	2.04	2.42	2.01	2.15	2.20	1.95
1992	2.09	2.06	2.29	2.04	2.07	2.25	1.92
1993	2.14	2.12	2.30	2.14	2.13	2.30	1.93
1994	2.17	2.16	2.24	2.15	2.18	2.30	2.02
1995	2.19	2.18	2.33	2.17	2.21	2.36	1.96
1996	2.28	2.26	2.52	2.23	2.28	2.28	2.13
1997	2.32	2.26	2.77	2.18	2.30	2.60	2.09
1998	2.34	2.29	2.69	2.17	2.32	2.60	2.13
1999	2.29	2.25	2.63	2.20	2.36	2.59	1.94
2000	2.31	2.28	2.48	2.20	2.25	2.57	2.09
2001	2.31	2.30	2.45	2.18	2.31	2.55	2.11
2002	2.35	2.34	2.50	2.25	2.30	2.65	2.09
2003	2.34	2.32	2.49	2.21	2.28	2.66	2.07

Table 2.2
Average Annual Household Expenditures
by Race and National Origin

	By Race		By National Origin	
	White & Other	Black	Hispanic	Non-Hispanic
1980	\$17,335	\$12,016		
1981	18,169	12,856		
1982	18,693	13,229		
1983	20,567	12,878		
1984	22,847	14,631		
1985	24,399	15,979		
1986	24,806	16,203		
1987	25,376	16,324		
1988	27,004	16,670		
1989	28,944	18,343		
1990	29,547	19,130		
1991	30,794	20,091		
1992	31,158	19,695		
1993	31,967	20,684		
1994	32,614	22,413	\$26,433	\$32,165
1995	33,737	23,739	26,744	32,729
1996	34,994	24,926	27,868	34,338
1997	36,076	25,509	29,333	35,325
1998	36,848	25,796	30,013	36,044
1999	38,354	27,374	33,105	37,385
2000	39,406	28,152	32,735	38,549
2001	40,968	28,903	34,361	40,009
2002	42,135	30,136	34,742	41,295
2003	42,451	28,708	34,575	41,521
Household Expenditure for Telephone Service				
1980	\$321	\$356		
1981	359	370		
1982	368	432		
1983	411	448		
1984	432	462		
1985	454	463		
1986	470	478		
1987	498	506		
1988	537	536		
1989	563	603		
1990	588	624		
1991	613	657		
1992	619	647		
1993	650	719		
1994	681	756	\$793	\$681
1995	698	782	796	700
1996	757	887	870	763
1997	791	945	833	807
1998	818	915	811	831
1999	837	934	872	847
2000	862	986	889	876
2001	899	1,024	917	914
2002	944	1,050	1,021	950
2003	946	1,027	968	954
Expenditures on Telephone Service as Percentage of Total Household Expenditures				
1980	1.85%	2.96%		
1981	1.98	2.88		
1982	1.97	3.27		
1983	2.00	3.48		
1984	1.89	3.16		
1985	1.86	2.90		
1986	1.89	2.95		
1987	1.96	3.10		
1988	1.99	3.22		
1989	1.95	3.29		
1990	1.99	3.26		
1991	1.99	3.27		
1992	1.99	3.29		
1993	2.03	3.48		
1994	2.07	3.37	3.00%	2.12%
1995	2.09	3.29	2.98	2.14
1996	2.16	3.56	3.12	2.22
1997	2.19	3.70	2.84	2.28
1998	2.22	3.55	2.70	2.31
1999	2.18	3.41	2.63	2.27
2000	2.19	3.50	2.72	2.27
2001	2.19	3.54	2.67	2.28
2002	2.24	3.48	2.94	2.30
2003	2.23	3.58	2.80	2.30

Table 2.3
Average Annual Household Expenditures
by Household Income

Households Grouped by Total Income from Lowest to Highest Quintile					
	1	2	3	4	5
Total Household Expenditures					
1980	\$7,746	\$11,452	\$15,370	\$20,143	\$29,717
1981	7,945	11,688	16,099	21,280	31,404
1982	8,080	11,788	16,200	21,444	33,311
1983	8,557	12,504	17,239	23,359	36,936
1984	10,894	14,337	19,469	26,138	41,825
1985	11,417	15,092	20,374	27,760	45,156
1986	11,477	14,639	21,088	28,698	46,242
1987	10,355	15,686	21,708	29,603	46,470
1988	10,893	16,880	23,290	32,084	48,718
1989	12,119	17,616	24,476	34,231	53,093
1990	12,908	17,924	24,673	34,247	55,411
1991	13,464	18,986	26,144	36,151	57,597
1992	12,643	19,257	26,573	36,094	57,981
1993	13,957	19,712	26,603	37,299	59,521
1994	14,356	20,891	28,513	39,033	60,803
1995	14,607	22,126	29,125	39,395	62,639
1996	15,896	22,799	30,402	41,965	66,794
1997	16,008	23,558	31,447	42,846	66,800
1998	16,630	23,709	31,400	43,811	70,648
1999	16,766	24,850	33,078	46,015	75,080
2000	17,940	26,550	34,716	46,794	75,102
2001	18,883	26,492	35,660	48,772	77,125
2002	19,061	27,140	36,881	50,432	79,199
2003	18,492	26,729	36,213	50,468	81,731
Household Expenditures for Telephone Service					
1980	\$202	\$266	\$335	\$365	\$450
1981	235	294	361	415	487
1982	257	314	354	423	506
1983	268	353	386	472	571
1984	295	350	430	476	630
1985	311	363	449	503	628
1986	337	383	453	526	662
1987	335	403	501	547	670
1988	352	441	538	585	727
1989	370	459	564	644	757
1990	402	496	585	647	818
1991	415	532	596	665	834
1992	424	533	621	677	844
1993	457	532	652	731	911
1994	455	591	672	761	963
1995	491	599	703	785	968
1996	513	641	750	892	1,100
1997	530	671	794	909	1,142
1998	527	661	801	947	1,194
1999	559	671	825	975	1,227
2000	575	705	860	1,004	1,305
2001	558	727	906	1,054	1,343
2002	584	741	928	1,150	1,433
2003	564	768	932	1,142	1,441
Expenditures on Telephone Service as a Percentage of Total Household Expenditures					
1980	2.61%	2.32%	2.18%	1.81%	1.51%
1981	2.96	2.52	2.24	1.95	1.55
1982	3.18	2.66	2.19	1.97	1.52
1983	3.13	2.82	2.24	2.02	1.55
1984	2.71	2.44	2.21	1.82	1.51
1985	2.72	2.41	2.20	1.81	1.39
1986	2.94	2.62	2.15	1.83	1.43
1987	3.24	2.57	2.31	1.85	1.44
1988	3.23	2.61	2.31	1.82	1.49
1989	3.05	2.61	2.30	1.88	1.43
1990	3.11	2.77	2.37	1.89	1.48
1991	3.08	2.80	2.28	1.84	1.45
1992	3.35	2.77	2.34	1.88	1.46
1993	3.27	2.70	2.45	1.96	1.53
1994	3.17	2.83	2.36	1.95	1.58
1995	3.38	2.71	2.41	1.99	1.55
1996	3.20	2.94	2.46	2.05	1.57
1997	3.24	3.02	2.53	2.09	1.63
1998	3.17	2.79	2.55	2.16	1.69
1999	3.33	2.70	2.49	2.12	1.63
2000	3.21	2.66	2.48	2.15	1.74
2001	2.96	2.74	2.54	2.16	1.74
2002	3.06	2.73	2.52	2.28	1.81
2003	3.05	2.87	2.57	2.26	1.76

Table 2.4
Average Annual Household Expenditures
by Age of the Head of the Household

	By Age of the Head of the Household						
	Under 25	25-34	35-44	45-54	55-64	65-74	Over 74
1980	\$10,903	\$17,452	\$21,235	\$22,517	\$17,535		
1981	11,309	18,503	22,890	23,385	17,418		
1982	11,368	18,814	23,309	23,539	18,449		
1983	11,855	19,708	25,230	25,896	20,585		
1984	13,461	22,294	28,214	28,696	23,401	\$15,842	\$11,122
1985	13,763	23,349	29,604	30,946	24,766	17,938	13,012
1986	14,142	23,931	31,219	32,218	24,808	17,506	12,198
1987	14,368	24,177	31,473	31,708	25,707	18,888	12,230
1988	16,373	25,770	33,077	33,205	25,765	20,120	13,339
1989	16,577	26,683	35,589	36,073	26,617	21,152	15,919
1990	16,518	28,107	35,579	36,996	29,244	20,895	15,448
1991	16,745	29,280	36,446	38,137	31,945	22,564	15,782
1992	17,258	29,554	37,196	37,427	31,704	22,862	17,764
1993	17,468	28,594	37,429	41,020	32,973	23,706	18,530
1994	18,417	30,468	37,565	41,420	33,682	25,059	19,280
1995	18,425	31,493	38,397	42,179	32,626	25,277	18,572
1996	18,384	33,020	39,944	42,722	36,132	27,739	19,603
1997	18,450	34,902	40,413	45,239	35,954	27,792	20,279
1998	19,436	34,779	42,154	45,475	37,329	27,830	20,987
1999	21,725	36,181	42,836	46,538	39,427	29,911	22,900
2000	22,543	38,945	45,149	46,160	39,340	30,782	21,908
2001	23,526	39,451	46,908	47,930	41,462	32,023	23,099
2002	24,229	40,318	48,330	48,748	44,330	32,243	23,759
2003	22,396	40,525	47,175	50,101	44,191	33,629	25,016
	Household Expenditures for Telephone Service						
1980	\$248	\$343	\$401	\$415	\$319		
1981	275	377	433	458	364		
1982	266	389	436	484	391		
1983	275	439	472	535	421		
1984	292	450	541	558	451	\$341	\$266
1985	323	449	535	576	473	377	298
1986	342	485	546	580	483	399	316
1987	381	504	586	607	521	401	328
1988	417	534	617	669	543	458	338
1989	396	583	640	719	567	486	360
1990	430	604	682	750	590	476	376
1991	471	629	684	803	641	487	376
1992	469	648	698	753	652	502	421
1993	512	687	734	782	707	520	441
1994	570	726	766	819	697	551	445
1995	541	744	777	859	723	577	443
1996	537	838	856	925	814	618	459
1997	550	893	921	952	842	627	458
1998	560	888	947	993	835	679	494
1999	562	924	950	1008	869	711	506
2000	589	950	1,018	1,007	909	720	511
2001	629	1,001	1,035	1,072	926	746	551
2002	641	1,032	1,096	1,109	981	794	579
2003	616	1,001	1,097	1,156	981	773	572
	Expenditures on Telephone Service as a Percentage of Total Household Expenditures						
1980	2.27%	1.97%	1.89%	1.84%	1.82%		
1981	2.43	2.04	1.89	1.96	2.09		
1982	2.34	2.07	1.87	2.06	2.12		
1983	2.32	2.23	1.87	2.07	2.05		
1984	2.17	2.02	1.92	1.94	1.93	2.15%	2.39%
1985	2.35	1.92	1.81	1.86	1.91	2.10	2.29
1986	2.42	2.03	1.75	1.80	1.95	2.28	2.59
1987	2.65	2.08	1.86	1.91	2.03	2.12	2.68
1988	2.55	2.07	1.87	2.01	2.11	2.28	2.53
1989	2.39	2.18	1.80	1.99	1.98	2.30	2.26
1990	2.60	2.15	1.92	2.03	2.02	2.28	2.43
1991	2.81	2.15	1.88	2.11	2.01	2.16	2.38
1992	2.72	2.19	1.88	2.01	2.06	2.20	2.37
1993	2.93	2.40	1.96	1.91	2.14	2.19	2.40
1994	3.09	2.38	2.04	1.98	2.07	2.20	2.31
1995	2.94	2.36	2.02	2.04	2.22	2.28	2.39
1996	2.92	2.54	2.14	2.17	2.25	2.23	2.34
1997	2.98	2.56	2.28	2.10	2.34	2.26	2.26
1998	2.88	2.55	2.25	2.18	2.24	2.44	2.35
1999	2.59	2.55	2.22	2.17	2.20	2.38	2.21
2000	2.61	2.44	2.25	2.18	2.31	2.34	2.33
2001	2.67	2.54	2.21	2.24	2.23	2.33	2.39
2002	2.65	2.56	2.27	2.27	2.21	2.46	2.44
2003	2.75	2.47	2.33	2.31	2.22	2.30	2.29

Table 2.5
Average Annual Household Expenditures
by Size of the Household

	By Size of the Household				
	1	2	3	4	Over 4
Total Household Expenditures					
1980					
1981					
1982					
1983					
1984	\$12,994	\$21,515	\$26,653	\$28,403	
1985	13,954	23,442	28,317	31,408	
1986	13,733	24,675	28,050	32,232	
1987	14,693	24,761	28,549	32,753	
1988	15,671	26,350	30,446	34,455	\$32,706
1989	16,814	28,622	32,643	35,803	35,871
1990	17,128	28,851	33,688	37,493	36,279
1991	17,569	30,648	34,389	38,806	38,269
1992	17,797	30,773	34,982	40,658	38,019
1993	17,999	31,603	35,416	42,397	39,981
1994	19,343	33,062	36,732	41,480	40,702
1995	19,389	33,100	37,838	42,819	41,561
1996	20,082	35,559	39,531	43,670	43,217
1997	20,923	36,617	40,926	45,225	43,929
1998	21,483	36,973	41,388	47,020	45,569
1999	22,404	38,895	42,885	49,119	47,581
2000	23,059	38,627	45,156	52,032	49,100
2001	23,507	40,359	45,508	54,395	53,805
2002	24,190	41,797	48,098	54,033	55,501
2003	23,657	43,693	47,406	55,201	52,565
Household Expenditures for Telephone Service					
1980					
1981					
1982					
1983					
1984	\$311	\$420	\$494	\$515	
1985	330	458	501	548	
1986	347	470	539	563	
1987	367	489	587	590	
1988	409	527	601	626	\$681
1989	423	564	633	650	739
1990	440	582	681	681	769
1991	449	617	693	722	808
1992	470	616	700	722	821
1993	472	656	740	803	854
1994	502	699	774	817	879
1995	506	714	815	839	894
1996	544	777	921	904	972
1997	583	789	954	995	1,016
1998	581	839	990	991	1,022
1999	592	847	994	1,050	1,094
2000	607	865	1,031	1,108	1,136
2001	620	905	1,091	1,166	1,194
2002	624	955	1,160	1,219	1,262
2003	623	965	1,161	1,227	1,229
Expenditures on Telephone Service as a Percentage of Total Household Expenditures					
1980					
1981					
1982					
1983					
1984	2.39%	1.95%	1.85%	1.81%	
1985	2.36	1.95	1.77	1.74	
1986	2.53	1.90	1.92	1.75	
1987	2.50	1.97	2.06	1.80	
1988	2.61	2.00	1.97	1.82	2.08%
1989	2.52	1.97	1.94	1.82	2.06
1990	2.57	2.02	2.02	1.82	2.12
1991	2.56	2.01	2.02	1.86	2.11
1992	2.64	2.00	2.00	1.78	2.16
1993	2.62	2.08	2.09	1.89	2.14
1994	2.60	2.11	2.11	1.97	2.16
1995	2.61	2.16	2.15	1.96	2.15
1996	2.71	2.19	2.33	2.07	2.25
1997	2.79	2.15	2.33	2.20	2.31
1998	2.70	2.27	2.39	2.11	2.24
1999	2.64	2.18	2.32	2.14	2.30
2000	2.63	2.24	2.28	2.13	2.31
2001	2.64	2.24	2.40	2.14	2.22
2002	2.58	2.28	2.41	2.26	2.27
2003	2.63	2.21	2.45	2.22	2.34

Table 2.6
Average Annual Household Telecommunications Expenditures
by Type of Provider*

	Local Exchange	Long Distance Carriers	Wireless Carriers	Total Expenditures
1995	\$346	\$250	\$82	\$596
1996	359	250	108	717
1997	379	305	129	813
1998	398	270	164	832
1999	402	257	205	864
2000	416	211	279	906
2001	426	176	351	953
2002	436	149	417	1,001
2003	441	122	492	1,055

Source: Calculated by Industry Analysis and Technology Division staff using survey data from TNS Telecoms *ReQuest Market Monitor*™, Bill Harvesting®.

Note: These data are average annual *expenditures* based on sample data for those households with wireline telephone service. These data do **not** reflect average annual *bills*. For example, the average household in the sample spent \$492 for wireless service in 2003. This average was calculated by simply dividing the total wireless expenditures of households in the sample by the total number of households in the sample. Of course, a number of households in the sample did not take wireless service in 2003 and therefore paid nothing. The average annual bill for wireless service for 2003 - averaged over only those households that received a bill - was therefore much higher, about \$740. In addition, these data are only representative of telecommunications revenues from servicing residential *end-users*, and do not reflect any revenues received from servicing business customers or other *carriers*.

* Excludes households in Alaska and Hawaii.

Table 2.7
1999 Use of Communications Commodities by Industry

I-O Industry Group	Total Industry Output (Millions)	Purchases of Communications Except Radio & Television (Millions)	Communications Purchases of Percent of Industry Output	Communications Purchases by Industry as a Percent of Total Communications Commodities
1 Livestock and livestock products	\$99,657	\$325	0.33%	0.08%
2 Other Agricultural products	109,658	364	0.33	0.09
3 Forestry and fishery products	15,667	15	0.10	0.00
4 Agricultural, forestry, and fishery services	52,241	239	0.46	0.06
5 & 6 Metallic ores mining	10,157	38	0.38	0.01
7 Coal mining	21,602	44	0.21	0.01
8 Crude petroleum and natural gas	102,534	233	0.23	0.06
9&10 Nonmetallic minerals mining	16,107	63	0.39	0.02
11 New Construction	745,620	3,115	0.42	0.81
12 Repair and maintenance construction	320,753	1,512	0.47	0.39
13 Ordinance and accessories	16,367	90	0.55	0.02
14 Food and kindred products	494,576	879	0.18	0.23
15 Tobacco manufactures	51,623	77	0.15	0.02
16 Broad and narrow fabrics, yarn and thread mills	42,356	72	0.17	0.02
17 Miscellaneous textile goods and floor coverings	22,792	74	0.33	0.02
18 Apparel	64,897	166	0.26	0.04
19 Miscellaneous fabricated textile products	29,577	74	0.25	0.02
20 & 21 Lumber and wood products	128,487	240	0.19	0.06
22 & 23 Furniture and fixtures	71,860	254	0.35	0.07
24 Paper & allied products, except containers	118,003	330	0.28	0.09
25 Paperboard containers and boxes	42,615	131	0.31	0.03
26A Newspapers and periodicals	26,219	477	1.82	0.12
26B Other printing & publishing	103,135	587	0.57	0.15
27A Industrial and other chemicals	135,401	335	0.25	0.09
27B Agricultural fertilizers and chemicals	21,842	54	0.24	0.01
28 Plastics and synthetic materials	67,270	319	0.47	0.08
29A Drugs	100,278	379	0.38	0.10
29B Cleaning and toilet preparations	49,832	192	0.39	0.05
30 Paints & allied products	18,803	53	0.28	0.01
31 Petroleum refining and related industries	170,914	254	0.15	0.07
32 Rubber & miscellaneous plastics products	169,957	549	0.32	0.14
33 & 34 Footwear, leather, and leather products	8,341	24	0.29	0.01
35 Glass and glass products	23,402	89	0.38	0.02
36 Stone and clay products	72,779	229	0.32	0.06
37 Primary iron and steel manufacturing	94,889	223	0.23	0.06
38 Primary nonferrous metals manufacturing	85,226	196	0.23	0.05
39 Metal containers	12,933	26	0.20	0.01
40 Heating, plumbing, & structural metal parts	79,497	248	0.31	0.06
41 Screw machine products and stampings	56,294	142	0.25	0.04
42 Other fabricated metal products	82,339	294	0.36	0.08
43 Engines and turbines	28,605	66	0.23	0.02
44 & 45 Farm, construction and mining machinery	51,060	155	0.30	0.04
46 Materials handling machinery and equipment	14,887	55	0.37	0.01
47 Metal working machinery and equipment	39,832	176	0.44	0.05
48 Special industrial machinery and equipment	34,257	173	0.50	0.04
49 General industrial machinery and equipment	40,186	191	0.48	0.05
50 Miscellaneous machinery, except electrical	39,073	120	0.31	0.03
51 Computer and office equipment	104,654	560	0.54	0.15
52 Service industry machinery	39,049	131	0.34	0.03
53 Electrical industrial equipment and apparatus	41,404	180	0.43	0.05
54 Household appliances	22,462	92	0.41	0.02

Table 2.7
1999 Use of Communications Commodities by Industry - Continued

I-O Industry Group	Total Industry Output (Millions)	Purchases of Communications Except Radio & Television (Millions)	Communications Purchases of Percent of Industry Output	Communications Purchases by Industry as a Percent of Total Communications Commodities
55 Electric lighting and wiring equipment	26,750	101	0.38	0.03
56 Audio, video, and communications equipment	99,938	585	0.58	0.15
57 Electronic components and accessories	150,787	759	0.50	0.20
58 Miscellaneous electrical machinery and supplies	28,130	83	0.29	0.02
59A Motor vehicles (passenger cars and trucks)	260,164	335	0.13	0.09
59B Truck/bus bodies, trailers, and motor vehicle	148,382	317	0.21	0.08
60 Aircraft parts	127,044	273	0.21	0.07
61 Other transportation equipment	48,489	119	0.25	0.03
62 Scientific and controlling instruments	134,192	764	0.57	0.20
63 Ophthalmic and photographic equipment	21,812	154	0.71	0.04
64 Miscellaneous manufacturing	51,756	197	0.38	0.05
65A Railroads, and related services	81,841	607	0.74	0.16
65B Motor freight transportation and warehousing	245,876	3,281	1.33	0.85
65C Water transportation	40,925	54	0.13	0.01
65D Air transportation	148,915	1,618	1.09	0.42
65E Pipelines, freight forwarders and related services	41,670	1,635	3.92	0.43
66 Communications, except radio and TV	384,486	63,517	16.52	16.52
67 Radio and television broadcasting	5,928	933	15.74	0.24
68A Electric services (utilities)	230,976	402	0.17	0.10
68B Gas production and distribution (utilities)	101,547	61	0.06	0.02
68C Water and sanitary services	72,083	563	0.78	0.15
69A Wholesale trade	883,029	18,481	2.09	4.81
69B Retail trade	796,357	9,895	1.24	2.57
70A Finance	761,040	13,090	1.72	3.40
70B Insurance	356,818	6,791	1.90	1.77
71A Owner-occupied dwellings	673,525	-	0.00	0.00
71B Real estate and royalties	855,883	5,761	0.67	1.50
72A Hotels and lodging places	88,331	1,186	1.34	0.31
72B Personal and repair services	134,522	1,805	1.34	0.47
73A Computer and data processing services	419,702	9,237	2.20	2.40
73B Legal engineering accounting services	397,290	5,375	1.35	1.40
73C Other businesses and professional services	653,498	9,601	1.47	2.50
73D Advertising	213,214	586	0.27	0.15
74 Eating and drinking places	394,950	1,573	0.40	0.41
75 Automobile repair and services	282,793	2,350	0.83	0.61
76 Amusements	216,302	1,842	0.85	0.48
77A Health Services	798,018	7,865	0.99	2.05
77B Educational and social services	345,272	3,805	1.10	0.99
78 Federal government enterprises	79,082	452	0.57	0.12
79 State and local government enterprises	46,513	659	1.42	0.17
82 General government industry	1,004,347		0.00	0.00
84 Household industry	13,111.00		0.00	0.00
Personal consumption expenditures	6,246,517	158,405	2.54	
Gross private fixed investment	1,577,194	9,262	0.59	
Changes in private inventories	59,500		0.00	
Exports	909,737	5,597	0.62	
Imports	-1,159,626		0.00	
Federal government purchases	565,000	6,670	1.18	
State and local government purchases	1,076,000	12,942	1.20	
Gross Domestic Product	25,274,351	192,877	0.76	
Intermediate Use	6,998,244	191,609	2.74	
Total Commodity Output	16,272,567	384,486	2.36	

Table 2.8
1999 Use of Commodities by the Communications Industry

I-O Industry Group		Total Commodity Output (Millions)	Sales to Communications Except Radio and Television Industry (Millions)	Percentage of Total Sales to Communications Except Radio & Television Industry	Sales to Communications Except Radio & TV as Percent of Communications Industry Output
1	Livestock and livestock products	\$99,657		0.00%	0.00%
2	Other Agricultural products	109,658	\$2	0.00	0.00
3	Forestry and fishery products	15,667		0.00	0.00
4	Agricultural, forestry, and fishery services	52,241	131	0.25	0.03
5 & 6	Metallic ores mining	10,157		0.00	0.00
7	Coal mining	21,602		0.00	0.00
8	Crude petroleum and natural gas	102,534		0.00	0.00
9&10	Nonmetallic minerals mining	16,107		0.00	0.00
11	New Construction	745,620		0.00	0.00
12	Repair and maintenance construction	320,753	18,025	5.62	4.62
13	Ordinance and accessories	16,367		0.00	0.00
14	Food and kindred products	494,576		0.00	0.00
15	Tobacco manufactures	51,623		0.00	0.00
16	Broad and narrow fabrics, yarn and thread mills	42,356		0.00	0.00
17	Miscellaneous textile goods and floor coverings	22,792	2	0.01	0.00
18	Apparel	64,897	148	0.23	0.04
19	Miscellaneous fabricated textile products	29,577	8	0.03	0.00
20 & 21	Lumber and wood products	128,487	56	0.04	0.01
22 & 23	Furniture and fixtures	71,860		0.00	0.00
24	Paper & allied products, except containers	118,003	370	0.31	0.09
25	Paperboard containers and boxes	42,615	191	0.45	0.05
26A	Newspapers and periodicals	26,219	247	0.94	0.06
26B	Other printing & publishing	103,135	1,362	1.32	0.35
27A	Industrial and other chemicals	135,401	22	0.02	0.01
27B	Agricultural fertilizers and chemicals	21,842		0.00	0.00
28	Plastics and synthetic materials	67,270		0.00	0.00
29A	Drugs	100,278	8	0.01	0.00
29B	Cleaning and toilet preparations	49,832	36	0.07	0.01
30	Paints & allied products	18,803	101	0.54	0.03
31	Petroleum refining and related industries	170,914	356	0.21	0.09
32	Rubber & miscellaneous plastics products	169,957	901	0.53	0.23
33 & 34	Footwear, leather, and leather products	8,341	3	0.03	0.00
35	Glass and glass products	23,402	46	0.20	0.01
36	Stone and clay products	72,779		0.00	0.00
37	Primary iron and steel manufacturing	94,889		0.00	0.00
38	Primary nonferrous metals manufacturing	85,226	36	0.04	0.01
39	Metal containers	12,933		0.00	0.00
40	Heating, plumbing, & structural metal parts	79,497		0.00	0.00
41	Screw machine products and stampings	56,294	608	1.08	0.16
42	Other fabricated metal products	82,339	557	0.68	0.14
43	Engines and turbines	28,605	490	1.71	0.13
44 & 45	Farm, construction and mining machinery	51,060		0.00	0.00
46	Materials handling machinery and equipment	14,887		0.00	0.00
47	Metal working machinery and equipment	39,832	11	0.03	0.00
48	Special industrial machinery and equipment	34,257		0.00	0.00
49	General industrial machinery and equipment	40,186	748	1.86	0.19
50	Miscellaneous machinery, except electrical	39,073	34	0.09	0.01
51	Computer and office equipment	104,654	837	0.80	0.21
52	Service industry machinery	39,049	7	0.02	0.00
53	Electrical industrial equipment and apparatus	41,404	836	2.02	0.21
54	Household appliances	22,462		0.00	0.00
55	Electric lighting and wiring equipment	26,750	197	0.73	0.06
56	Audio, video, and communications equipment	99,938	5,740	5.74	1.47
57	Electronic components and accessories	150,787	6,843	4.54	1.75

Table 2.8
1999 Use of Commodities by the Communications Industry - Continued

I-O Industry Group		Total Commodity Output (Millions)	Sales to Communications Except Radio and Television Industry (Millions)	Percentage of Total Sales to Communications Except Radio & Television Industry	Sales to Communications Except Radio & TV as Percent of Communications Industry Output
58	Miscellaneous electrical machinery and supplies	28,130	358	1.27	0.09
59A	Motor vehicles (passenger cars and trucks)	260,164		0.00	0.00
59B	Truck and bus bodies, trailers, and motor vehicle	148,382	72	0.05	0.02
60	Aircraft parts	127,044		0.00	0.00
61	Other transportation equipment	48,489		0.00	0.00
62	Scientific and controlling instrument	134,192	39	0.03	0.01
63	Ophthalmic and photographic equipment	21,812	135	0.62	0.03
64	Miscellaneous manufacturing	51,756	212	0.41	0.05
65A	Railroads, and related services	81,841	377	0.46	0.10
65B	Motor freight transportation and warehousing	245,876	537	0.22	0.14
65C	Water transportation	40,925	40	0.10	0.01
65D	Air transportation	148,915	1,612	1.08	0.41
65E	Pipelines, freight forwarders and related services	41,670	21	0.05	0.01
66	Communications, except radio and TV	384,486	63,517	16.52	16.28
67	Radio and television broadcasting	5,928	272	4.59	0.07
68A	Electric services (utilities)	230,976	1,323	0.57	0.34
68B	Gas production and distribution (utilities)	101,547	184	0.18	0.05
68C	Water and sanitary services	72,083	478	0.66	0.12
69A	Wholesale trade	883,029	3,570	0.40	0.91
69B	Retail trade	796,357	135	0.02	0.03
70A	Finance	761,040	4,304	0.57	1.10
70B	Insurance	356,818	794	0.22	0.20
71A	Owner-occupied dwellings	673,525		0.00	0.00
71B	Real estate and royalties	855,883	8,016	0.94	2.05
72A	Hotels and lodging places	88,331	1,390	1.57	0.36
72B	Personal and repair services	134,522	3,021	2.25	0.77
73A	Computer and data processing services	419,702	6,835	1.63	1.75
73B	Legal engineering accounting and related services	397,290	15,886	4.00	4.07
73C	Other businesses and professional services	653,498	11,515	1.76	2.95
73D	Advertising	213,214	7,402	3.47	1.90
74	Eating and drinking places	394,950	1,256	0.32	0.32
75	Automobile repair and services	282,793	2,697	0.95	0.69
76	Amusements	216,302	6,044	2.79	1.55
77A	Health Services	798,018		0.00	0.00
77B	Educational and social services, and membership	345,272	474	0.14	0.12
78	Federal government enterprises	79,082	1,424	1.80	0.36
79	State and local government enterprises	46,513	148	0.32	0.04
82	General government industry	1,004,347		0.00	0.00
84	Household industry	13,111		0.00	0.00
Total Sales		16,277,252	390,265	2.40	100.00
Value Added		9,281,532	200,065	2.16	51.26

III. Price Indices

The U.S. Department of Labor's Bureau of Labor Statistics (BLS) calculates telephone service price indices as part of two major programs. The Consumer Price Index (CPI) program publishes indices based on the amount of money that residential customers in urban areas pay for telephone service. The Producer Price Index (PPI) program publishes indices based on the amount of money that companies receive for providing telephone service. Unlike the CPI, the PPI indices cover business as well as residential telephone service.

A. Consumer Price Indices

The Consumer Price Index is the nation's most widely recognized measure of retail price changes. It is published monthly by the BLS, and measures the prices all urban consumers pay for most goods and services. BLS defines urban areas as Metropolitan Statistical Areas (MSAs) and small cities with populations greater than 2500. According to BLS, over 85 percent of the U.S. population lives in urban areas.

The BLS has published an index for telephone services since 1935. In 1978 it began publishing an index for local telephone service, interstate toll service, and intrastate toll service. In 1998 it added an index for cellular telephone services. At that time, the BLS also revised the telephone services index to include information from the cellular index and created an aggregate index by combining the interstate and intrastate toll service indices into an index for long distance services. Telephone service price changes are also included in the CPI index for all goods and services, as well as in other broad indices. According to the BLS, as of the end of December 2004, telephone prices account for roughly 2% of the CPI for all goods and services.¹

Table 3.1 shows the annual changes in the CPI indices since 1980. In addition to showing the nominal changes in telephone prices, the table shows the changes in telephone prices after adjusting for the impact of inflation, as measured by the CPI for all goods and services. Chart 1 illustrates the changes in toll rates since the AT&T divestiture in 1984; since then, rates for both interstate and intrastate toll calls have fallen. Chart 2 adjusts the price indices for interstate and intrastate toll service for the impacts of inflation. Relative to the prices of other goods and services, long distance rates have fallen substantially since the AT&T divestiture in 1984.

Table 3.2 shows three monthly consumer price indices that were first published in 1998. A long distance service index has been created using the existing information collected for the interstate and intrastate toll indices. An index for cellular telephone service has been created and the previous "telephone services" index has been replaced with a new measure that includes the cellular price index. Since the previous index for telephone services did not include cellular services, the two series are not strictly comparable. Users should exercise caution because current price trends in the cellular market deviate significantly from those in the wireline telephony market.

¹ See <http://www.bls.gov/cpi/cpiri2004.pdf>.

B. Producer Price Indices

The Producer Price Index (PPI) is a statistical series established by the BLS to measure changes in the prices charged by producers. This index, formerly known as the Wholesale Price Index, was first published in 1902. The BLS began publishing indices for telecommunications products in 1972. These indices were wholly redesigned in mid-1995. Consequently, the current indices are not comparable to indices prior to 1995. In addition to 39 current indices of telecommunications products, the BLS publishes overall indices by stage of processing -- finished goods, intermediate goods, and crude materials for further processing.

With the release of data for January 2004, the Producer Price Index program changed its basis for industry classification from the 1987 Standard Industrial Classification (SIC) system to the North American Industry Classification System (NAICS). Developed in cooperation with Canada and Mexico, NAICS represents a profound change for statistical programs focusing on emerging economic activities. The system was developed using a production-oriented conceptual framework, grouping establishments into industries based on the activity in which they are primarily engaged. While many NAICS industries directly compare with SIC industries, a number of SIC industries were split or combined to form a new NAICS industry. The PPI treats the SIC-to-NAICS comparison as continuous if 80 percent or more of the weight of the SIC-based index comprises at least 80 percent of the weight of the NAICS-based index. All index series that have passed this test are published under the NAICS structure using the index base date and price index history established by the SIC-based index. Documentation of the NAICS to SIC concordance for all subsectors, industry groups, and products may be found at <http://www.bls.gov/ppi/ppinaics.htm>.²

Since the PPI indexes the prices received by producers, it includes the prices paid by businesses as well as consumers. The PPI does not include taxes or other government surcharges. Additionally, it is subject to substantial fluctuations from month to month and each index is revised four months following its release. Consequently, analysts should use caution when using the PPI to measure short-run trends in telecommunications prices. It is suggested that users consider constructing a three to four month moving average of the series to improve the analysis of trends. Table 3.3 presents the monthly PPI indices for the period since their revision in mid-1995. Certain Producer Price Index categories were discontinued in 1995. These PPIs may be found at <http://www.bls.gov>.

C. Additional Sources of Information on Price Indices

The BLS maintains current and complete access to all of the price indices at stats.bls.gov on the Internet. Visitors can find documentation on the construction of the indices there as well.

² Several telecommunications PPIs published by the BLS under the SIC classification system are no longer published after the conversion to NAICS. These include "Other Local Service" (SIC pcu4813#114), "Other Local Service except Directory Assistance" (SIC pcu4813#11409), "LEC Intrastate Private Line Service" (SIC pcu4813#311), "Directory Advertising" (SIC pcu4813#91), and "Other Telephone Services" (SIC pcu4813#99). In addition, "Directory Assistance" (SIC pcu4813#11401) is now classified as "Other Local Service" (NAICS 517110114) and "Telephone Communications except Radiotelephone" is now referred to as "Wired Telecommunications Carriers".

Table 3.1
Changes in the Consumer Price Indices Since 1980
 (Percent change from December of the previous year through December of the year shown)

	All Goods and Services	Telephone Services		Land-line Telephone Services, Local Charges		Land-line Interstate Toll Calls		Land-line Intrastate Toll Calls		Wireless Telephone Services	
			Inflation Adjusted		Inflation Adjusted		Inflation Adjusted		Inflation Adjusted		Inflation Adjusted
1980	12.5%	4.6%	-7.1%	7.0%	-4.9%	3.4%	-8.1%	-0.6%	-11.6%		
1981	8.9%	11.7%	2.5%	12.6%	3.3%	14.6%	5.2%	6.2%	-2.5%		
1982	3.8%	7.2%	3.3%	10.8%	6.7%	2.6%	-1.2%	4.2%	0.3%		
1983	3.8%	3.6%	-0.2%	3.1%	-0.6%	1.5%	-2.2%	7.4%	3.4%		
1984	3.9%	9.2%	5.1%	17.2%	12.7%	-4.3%	-8.0%	3.6%	-0.3%		
1985	3.8%	4.7%	0.8%	8.9%	5.0%	-3.7%	-7.2%	0.6%	-3.1%		
1986	1.1%	2.7%	1.6%	7.1%	5.9%	-9.4%	-10.4%	0.3%	-0.8%		
1987	4.4%	-1.3%	-5.5%	3.3%	-1.0%	-12.4%	-16.1%	-3.0%	-7.1%		
1988	4.4%	1.3%	-3.0%	4.5%	0.1%	-4.2%	-8.2%	-4.2%	-8.3%		
1989	4.6%	-0.3%	-4.7%	0.6%	-3.9%	-1.3%	-5.7%	-2.6%	-6.9%		
1990	6.1%	-0.4%	-6.2%	1.0%	-4.8%	-3.7%	-9.3%	-2.2%	-7.8%		
1991	3.1%	3.5%	0.4%	5.1%	2.0%	1.3%	-1.7%	-1.5%	-4.4%		
1992	2.9%	-0.3%	-3.1%	0.5%	-2.4%	-1.3%	-4.1%	-2.4%	-5.1%		
1993	2.7%	1.8%	-0.9%	1.0%	-1.7%	6.5%	3.7%	0.2%	-2.5%		
1994	2.7%	0.7%	-2.0%	-0.3%	-2.9%	5.4%	2.7%	-1.0%	-3.6%		
1995	2.5%	1.2%	-1.3%	2.6%	0.0%	0.1%	-2.3%	-3.8%	-6.2%		
1996	3.3%	2.1%	-1.2%	0.9%	-2.4%	3.7%	0.4%	6.1%	2.7%		
1997	1.7%	0.2%	-1.4%	1.0%	-0.6%	-4.3%	-5.9%	2.8%	1.1%		
1998	1.6%	0.3%	-1.9%	1.3%	-0.3%	-0.8%	-2.4%	1.5%	-0.1%		
1999	2.7%	0.4%	-2.2%	2.9%	0.2%	-0.7%	-3.3%	-1.6%	-4.1%	-11.6%	-13.9%
2000	3.4%	-2.3%	-5.5%	5.6%	2.1%	-11.2%	-14.1%	-6.0%	-9.1%	-12.3%	-15.2%
2001	1.6%	1.3%	-0.2%	4.5%	2.9%	-2.0%	-3.3%	-1.7%	-3.2%	-5.5%	-6.9%
2002	2.4%	0.2%	-2.1%	5.3%	2.9%	-5.9%	-8.2%	-6.1%	-3.2%	-0.3%	-2.0%
2003	1.8%	-2.7%	-4.4%	2.6%	0.8%	-10.8%	-12.4%	-9.3%	-10.9%	-1.3%	-3.1%
2004	3.3%	-2.5%	-5.6%	1.1%	-2.1%	-8.7%	-11.7%	-6.6%	-9.6%	-1.4%	-4.5%

Chart 1

Consumer Price Indices for Toll Service Since 1984

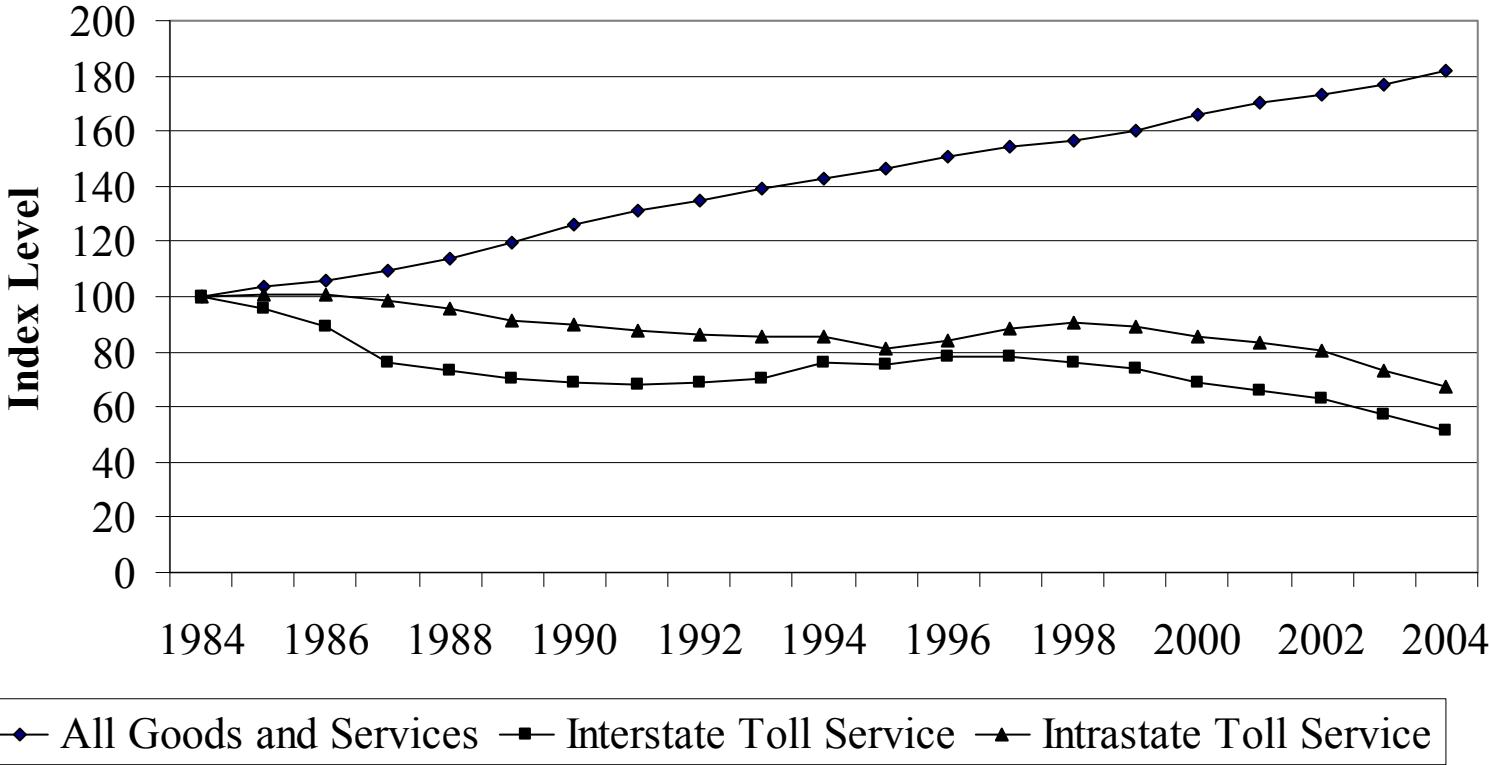


Chart 2

Consumer Price Indices for Toll Service Since 1984 (Adjusted for Inflation)

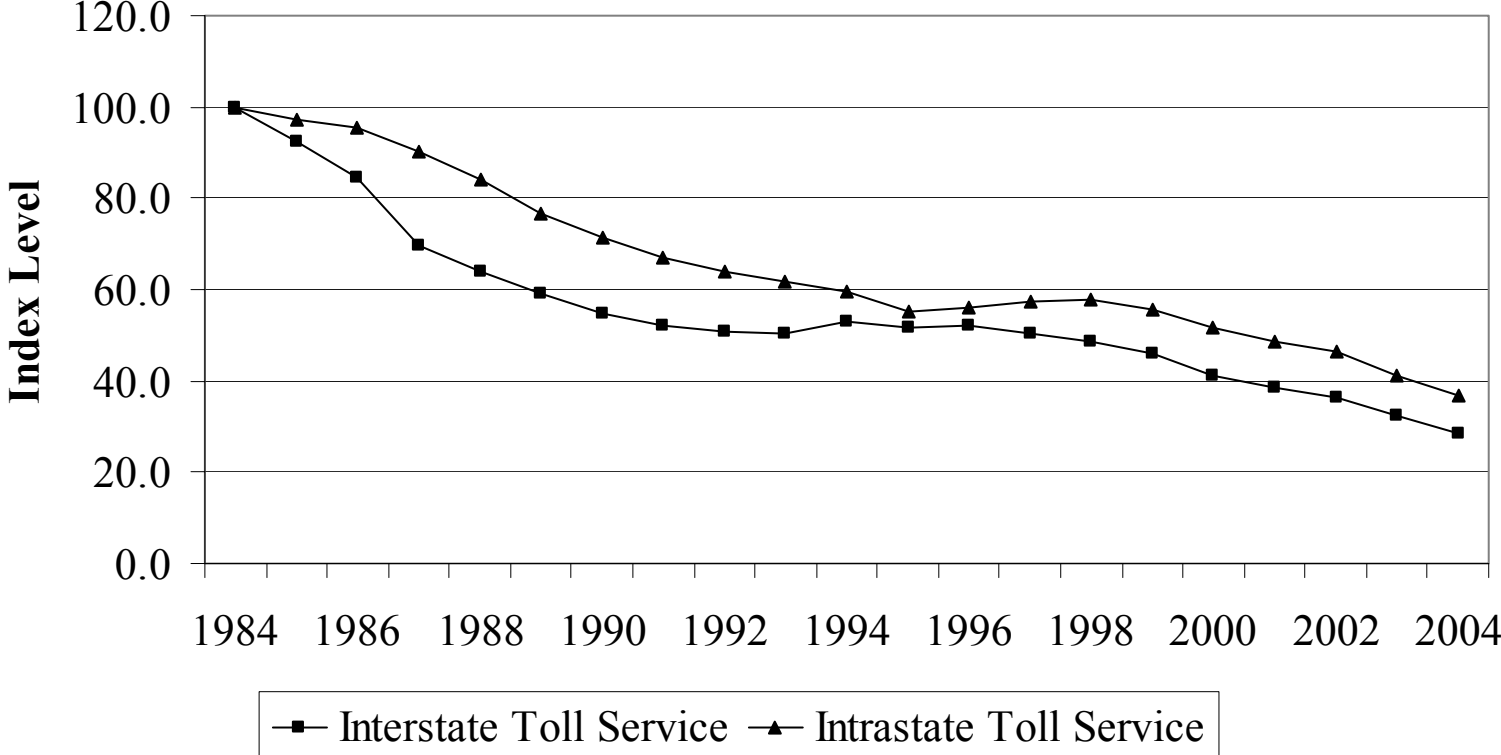


Table 3.2
Monthly Consumer Price Indices
(December 1997 = 100)

		All Goods and Services	Telephone Services	Land-line Telephone Services, Local Charges	Land-line Telephone Services, Long-Distance Charges	Land-line Interstate Toll Calls	Land-line Intrastate Toll Calls	Wireless Telephone Services
BLS Series ID		CUUR0000SA0	CUUR0000SEED	CUUR0000SEED01	CUUR0000SEED02	CUUR0000SS27051	CUUR0000SS27061	CUUR0000SEED03
2000	January	104.6	100.9	104.8	98.5	98.3	100.1	80.6
	February	105.3	99.4	104.9	95.5	94.0	99.2	79.7
	March	106.1	98.9	105.1	94.4	93.1	98.5	79.2
	April	106.2	98.6	105.2	93.7	92.4	97.8	78.9
	May	106.3	98.5	105.3	93.4	92.0	97.6	78.2
	June	106.9	97.2	105.8	90.6	89.0	95.0	76.8
	July	107.1	98.2	107.3	91.3	89.8	95.7	74.9
	August	107.1	98.9	109.5	90.7	89.2	95.1	73.7
	September	107.7	97.0	108.5	87.9	86.2	92.0	72.8
	October	107.9	98.3	109.8	89.4	87.9	92.9	73.0
	November	107.9	97.5	110.3	87.2	85.0	91.9	72.9
	December	107.9	98.4	110.0	89.5	87.5	93.9	71.1
2001	January	108.6	98.8	110.5	89.9	88.0	94.2	68.9
	February	109.0	98.7	110.7	89.5	87.6	93.7	68.9
	March	109.2	99.4	110.9	90.7	89.0	94.5	68.7
	April	109.7	99.0	111.9	89.1	87.2	93.1	68.8
	May	110.2	98.7	112.1	88.2	86.2	92.6	68.5
	June	110.4	99.0	112.3	88.7	86.7	93.0	68.1
	July	110.0	99.6	113.2	88.9	86.8	93.0	68.6
	August	110.0	99.6	113.9	88.5	86.4	92.7	68.1
	September	110.5	99.2	114.1	87.6	85.5	92.0	67.2
	October	110.2	99.9	114.6	88.5	86.4	92.9	67.1
	November	110.0	99.6	114.8	87.6	85.5	92.2	67.5
	December	109.5	99.7	114.9	87.9	85.8	92.3	67.2
2002	January	109.8	100.3	115.7	88.2	86.2	92.6	67.5
	February	110.2	100.3	116.1	87.9	85.8	92.6	67.5
	March	110.8	99.1	114.1	87.0	85.0	91.6	67.5
	April	111.5	98.2	114.0	85.1	82.7	90.1	67.6
	May	111.5	99.3	116.8	85.2	82.6	90.4	66.7
	June	111.5	99.2	116.9	85.0	82.4	90.1	66.6
	July	111.7	99.5	118.7	84.0	81.3	89.1	67.0
	August	112.0	100.6	120.2	84.7	82.6	89.1	67.8
	September	112.2	100.1	120.4	83.7	81.4	88.2	67.5
	October	112.4	99.9	120.6	83.0	80.7	87.5	67.9
	November	112.4	99.8	120.8	82.7	80.7	87.0	67.5
	December	112.2	99.9	121.0	82.6	80.7	86.7	67.4
2003	January	112.6	100.4	121.3	83.4	81.9	87.0	67.6
	February	113.5	100.5	121.2	83.5	82.2	86.9	67.7
	March	114.2	99.7	121.7	81.5	79.8	85.1	67.6
	April	113.9	98.7	121.9	79.2	77.4	83.1	67.5
	May	113.7	98.1	122.0	77.9	76.0	81.8	67.5
	June	113.8	97.5	122.2	76.7	74.6	80.8	66.3
	July	114.0	98.1	123.1	77.2	75.6	80.8	66.2
	August	114.4	97.8	123.7	76.0	74.0	79.7	66.1
	September	114.8	97.4	123.8	75.2	73.3	78.9	66.1
	October	114.6	97.1	124.0	74.3	72.1	78.7	66.1
	November	114.3	97.2	124.2	74.1	71.8	78.3	66.7
	December	114.2	97.2	124.1	74.3	72.0	78.6	66.5
2004	January	114.8	97.0	124.4	73.9	71.6	78.0	66.3
	February	115.4	97.1	124.2	73.9	71.6	77.8	66.6
	March	116.2	96.7	124.2	73.1	70.6	77.2	66.5
	April	116.6	96.5	123.9	72.8	70.1	77.2	66.4
	May	117.2	95.9	124.2	71.3	68.8	75.5	66.5
	June	117.6	95.8	124.2	71.2	68.4	75.4	66.4
	July	117.4	95.6	124.7	70.1	67.6	74.2	66.5
	August	117.5	95.0	124.7	68.7	66.0	72.9	66.5
	September	117.7	95.3	124.9	69.6	67.0	73.9	66.3
	October	118.4	94.6	125.2	68.3	65.7	72.6	65.5
	November	118.4	94.9	125.1	69.3	66.4	74.0	65.5
	December	118.0	94.8	125.5	68.6	65.7	73.4	65.6

Note: Figures for local telephone service, interstate toll service, and intrastate toll service after May, 2000 are converted from 1982-1984 base index series reported by the Bureau of Labor Statistics. Historical data on these series based upon the 1982-1984 index for January, 1972 through May, 2000 can be found in the Industry Analysis and Technology Division, Wireline Competition Bureau, *Reference Book of Rates, Price Indices, and Household Expenditures for Telephone Service* (July 2002).

Table 3.3
Monthly Producer Price Indices
(June 1995 = 100)

	Wired Telecommunications Carriers	Local Service, except Private Lines	Residence Local Service	Business Local Service	Coin Local Service	Other Local Service
NAICS Series ID	517110	5171101	517110111	517110112	517110113	517110114
1999 January	96.9	100.4	100.2	100.4	101.7	103.6
February	96.2	100.4	100.2	100.5	101.7	103.6
March	96.6	100.4	100.2	100.5	101.7	103.6
April	97.3	100.5	100.2	100.5	101.7	103.6
May	97.0	100.5	100.2	100.5	101.7	103.6
June	97.1	100.5	100.2	100.5	101.7	103.6
July	95.5	100.5	100.2	100.5	101.8	104.0
August	95.8	100.5	100.2	100.5	101.8	104.0
September	95.7	100.5	100.4	100.5	101.8	104.0
October	95.2	100.5	100.4	100.5	101.8	104.0
November	94.3	100.5	100.4	100.5	101.8	104.0
December	94.5	100.5	100.3	100.5	101.8	104.0
2000 January	94.8	100.6	100.3	100.6	101.8	104.0
February	94.1	100.6	100.3	100.6	101.8	104.0
March	94.8	100.7	100.3	100.9	101.8	104.0
April	94.1	100.7	100.5	100.7	101.5	104.0
May	93.4	100.7	100.6	100.6	101.9	104.0
June	94.1	100.8	100.8	100.5	102.3	104.0
July	94.0	101.3	101.7	100.6	102.7	104.0
August	94.0	101.3	101.7	100.6	103.2	104.0
September	93.8	101.5	101.9	100.6	103.6	104.2
October	93.4	101.4	101.9	100.5	103.6	104.2
November	93.0	101.4	101.9	100.5	103.6	104.2
December	93.1	101.4	101.9	100.5	103.6	104.2
2001 January	92.2	101.4	101.9	100.5	103.6	104.5
February	92.0	101.5	101.9	100.5	103.6	104.5
March	92.0	101.5	101.9	100.5	103.6	104.5
April	91.9	101.9	102.5	100.7	103.5	104.5
May	91.8	101.9	102.6	100.7	103.4	104.5
June	91.4	102.0	102.9	100.7	103.6	104.5
July	91.5	102.7	104.4	100.7	103.7	104.8
August	91.8	102.8	104.4	100.7	103.9	104.8
September	92.0	102.9	104.5	100.7	104.1	104.8
October	90.1	102.9	104.5	100.8	104.3	104.8
November	90.1	102.9	104.5	100.8	104.3	104.8
December	89.2	102.9	104.5	100.8	104.3	104.8
2002 January	88.4	103.4	105.2	101.0	104.3	104.8
February	88.0	103.4	105.2	101.0	104.3	104.8
March	87.9	103.4	105.3	101.0	104.3	104.8
April	87.5	103.4	105.4	101.0	104.3	104.8
May	87.8	103.4	105.3	101.0	104.3	104.8
June	87.7	103.5	105.5	101.1	104.3	104.8
July	87.4	104.0	106.1	101.1	104.3	119.5
August	87.8	104.0	106.1	101.2	104.3	119.5
September	87.7	104.0	106.2	101.1	103.9	119.9
October	85.5	104.0	106.2	101.1	103.9	119.9
November	86.4	103.9	106.2	101.1	103.9	119.9
December	86.0	104.0	106.2	101.1	103.9	119.9
2003 January	85.7	103.9	106.2	101.1	103.9	119.9
February	85.8	103.9	106.2	101.1	103.9	119.9
March	85.8	104.0	106.2	101.1	103.9	119.9
April	85.5	104.5	106.8	101.5	103.9	119.9
May	85.9	104.8	107.4	101.6	103.9	119.9
June	85.9	105.0	107.9	101.6	103.9	119.9
July	86.0	105.2	108.2	101.6	103.9	120.3
August	86.1	105.2	108.2	101.6	103.9	120.3
September	85.7	105.2	108.2	101.6	103.9	120.3
October	85.2	105.2	108.3	101.6	103.9	120.3
November	84.7	105.2	108.3	101.6	103.9	120.3
December	84.1	105.2	108.3	101.6	103.9	120.3
2004 January	84.5	105.4	108.6	101.6	103.9	120.3
February	84.0	105.4	108.6	101.6	103.9	120.3
March	84.1	105.4	108.6	101.6	103.9	120.3
April	83.9	105.4	108.6	101.6	103.9	120.3
May	83.7	105.4	108.6	101.6	103.9	120.3
June	83.8	105.4	108.6	101.6	103.9	120.3
July	83.6	105.4	108.6	101.7	103.9	120.3
August	83.7	105.4	108.6	101.7	103.9	120.3
September	83.5	105.5	108.7	101.7	103.9	120.5
October*	83.2	105.4	108.6	101.7	103.9	120.5
November*	83.0	105.4	108.6	101.7	103.9	120.5
December*	83.0	105.4	108.5	101.7	103.9	120.5

* Subject to revision

Table 3.3
Monthly Producer Price Indices - Continued
(June 1995 = 100)

	Public Switched Toll Service	Residence Switched Toll Service	Intrastate Residence Switched Toll Service	Interstate Residence Switched Toll Service	International Residence Switched Toll Service	Business Switched Toll Service	Business Switched Access Toll Service
NAICS Series ID	5171102	51711021	517110211	517110212	517110213	51711022	517110221
1999 January	93.9	97.3	97.2	105.0	72.7	89.9	100.0
February	92.5	95.4	96.4	102.0	69.6	89.1	99.7
March	93.3	96.9	97.0	106.0	68.0	89.0	100.0
April	94.5	97.6	96.6	108.0	69.1	90.8	101.2
May	93.9	97.3	96.8	106.8	69.5	89.9	100.5
June	94.2	97.4	96.7	107.2	69.3	90.5	101.9
July	91.1	98.4	97.2	108.7	71.6	82.4	93.8
August	91.7	99.4	97.5	110.1	73.9	82.5	95.8
September	91.4	99.0	96.6	110.1	73.1	82.4	94.8
October	90.5	97.6	96.9	107.5	69.7	82.1	94.1
November	88.8	95.4	95.2	104.0	67.0	80.9	92.4
December	89.3	95.8	94.3	106.6	65.8	81.5	93.4
2000 January	89.7	96.5	94.8	107.4	67.5	81.6	95.4
February	88.4	94.1	96.2	100.1	65.9	81.6	92.9
March	89.7	96.2	95.0	105.9	68.2	82.1	95.3
April	88.3	94.6	94.4	102.8	67.0	80.8	93.4
May	87.0	92.9	93.6	99.3	65.7	80.0	93.2
June	88.3	95.1	94.4	104.1	67.0	80.3	94.0
July	87.8	94.3	93.8	102.1	68.0	80.0	94.6
August	87.7	94.2	93.8	102.2	67.2	80.0	94.5
September	87.3	94.8	93.9	104.7	64.5	78.4	92.6
October	86.6	93.2	93.5	101.7	61.6	78.8	93.1
November	85.6	92.6	93.5	101.7	58.4	77.3	91.5
December	85.9	93.0	93.7	101.8	60.2	77.5	91.1
2001 January	84.2	92.2	93.3	107.4	60.9	74.7	87.6
February	83.8	92.1	94.1	99.5	61.8	73.9	87.9
March	83.9	92.4	94.7	98.2	61.3	73.8	87.5
April	83.4	92.1	94.3	98.6	61.3	73.0	87.2
May	83.1	92.2	94.3	98.2	60.4	72.2	85.8
June	82.4	91.4	95.2	98.9	57.4	71.6	84.7
July	81.9	91.3	95.6	96.9	57.9	70.7	84.3
August	82.5	92.8	95.8	96.0	54.8	70.2	83.2
September	82.7	91.7	95.9	101.2	52.9	72.0	84.3
October	79.2	88.4	94.9	92.2	49.7	68.2	80.5
November	79.1	89.0	95.5	94.7	45.6	67.4	77.6
December	77.4	88.2	96.0	92.4	44.5	64.6	74.6
2002 January	75.7	86.7	95.4	89.1	43.9	62.7	72.7
February	75.0	85.2	95.8	85.4	42.4	62.8	73.3
March	74.6	84.5	95.6	84.8	40.2	62.8	73.6
April	73.8	83.9	95.3	82.9	41.2	61.9	73.4
May	74.5	83.5	95.3	82.1	40.6	63.7	73.7
June	74.2	83.3	95.1	81.3	41.6	63.3	74.3
July	73.3	83.1	94.7	80.9	42.1	61.5	72.1
August	74.1	84.1	96.9	81.5	42.3	62.0	72.4
September	73.8	83.0	96.9	78.8	41.4	62.8	72.8
October	69.7	77.1	96.8	63.6	39.4	60.7	71.1
November	71.4	80.9	96.4	74.9	38.3	60.2	69.8
December	70.7	80.9	95.7	75.4	38.5	58.6	69.1
2003 January	70.0	79.9	95.6	73.0	38.2	58.3	68.5
February	70.4	79.7	87.4	81.2	37.2	59.2	68.9
March	70.2	79.8	87.4	81.6	37.0	58.7	67.9
April	69.4	78.2	86.9	78.2	35.6	58.9	68.7
May	69.8	79.5	87.1	82.2	34.4	58.3	67.1
June	69.7	78.9	87.1	80.7	33.8	58.7	68.3
July	69.8	79.4	86.9	81.3	36.3	58.4	67.0
August	69.9	79.5	86.7	82.2	35.4	58.5	67.2
September	69.3	78.1	85.9	79.8	33.9	58.7	67.7
October	68.3	77.6	85.4	79.5	32.5	57.4	66.5
November	67.4	76.1	84.7	76.5	31.8	57.0	64.9
December	66.3	74.6	83.7	73.5	31.3	56.3	64.6
2004 January	66.7	75.4	83.1	76.6	30.8	56.4	64.7
February	65.9	74.1	82.6	73.1	31.4	56.1	64.3
March	66.1	74.7	82.2	76.4	29.1	55.8	63.9
April	65.8	74.4	82.1	75.2	29.9	55.5	63.4
May	65.4	74.3	82.0	75.3	29.1	54.9	62.5
June	65.5	74.3	82.1	75.7	28.5	55.0	62.9
July	65.2	74.4	82.3	75.1	29.5	54.2	62.4
August	65.3	75.0	82.5	76.8	29.6	53.9	62.0
September	64.9	74.3	81.9	75.7	28.7	53.8	61.8
October*	64.3	74.0	82.2	74.9	28.2	52.8	60.4
November*	64.0	73.3	81.9	74.0	26.4	52.9	61.1
December*	63.9	73.4	81.8	74.3	27.0	52.7	60.4

* Subject to revision

Table 3.3
Monthly Producer Price Indices - Continued
(June 1995 = 100)

	Outbound Business Switched Access Toll Service	Intrastate Business Switched Access Toll Service, Outbound	Interstate Business Switched Access Toll Service, Outbound	International Business Switched Access Toll Service, Outbound	Inbound Business Switched Access Toll Service	Intrastate Business Switched Access Toll Service, Inbound	Interstate Business Switched Access Toll Service, Inbound	International Business Switched Access Toll Service, Inbound
NAICS Series ID	5171102211	51711022111	51711022112	51711022113	5171102212	51711022121	51711022122	51711022123
1999 January	108.1	104.7	122.2	88.1	86.0	75.3	79.6	69.9
February	106.4	104.5	118.4	86.2	88.0	78.0	83.4	65.2
March	107.5	104.9	120.3	88.0	87.0	74.7	82.9	65.4
April	107.9	104.3	122.2	88.1	89.4	76.5	86.8	70.9
May	107.9	104.1	120.6	92.3	87.8	74.4	83.7	75.7
June	110.5	104.7	123.8	100.2	86.9	73.6	82.4	74.5
July	100.0	102.5	104.6	84.2	83.0	70.7	74.5	79.3
August	103.2	102.9	112.9	83.5	83.0	70.0	75.3	74.4
September	101.8	102.5	110.4	82.1	82.5	69.8	74.8	69.0
October	100.0	102.3	109.6	72.6	83.7	70.5	76.1	79.9
November	98.8	101.9	108.1	69.3	81.3	68.3	72.3	74.7
December	99.3	101.9	107.0	75.4	83.1	69.7	75.0	81.2
2000 January	102.1	102.4	109.9	85.2	83.8	70.7	76.6	76.2
February	98.5	101.5	104.8	76.9	83.2	70.2	75.7	75.0
March	101.4	103.0	113.6	69.3	84.6	76.1	74.9	80.1
April	100.0	102.0	110.5	70.5	81.9	69.5	74.6	58.9
May	100.5	102.0	110.5	74.0	80.7	68.4	72.7	56.5
June	100.6	102.2	111.1	72.6	82.6	68.8	77.4	52.0
July	101.6	102.2	110.5	80.9	82.5	68.7	77.3	51.0
August	101.6	102.2	110.8	80.3	82.2	68.3	76.6	54.1
September	100.1	102.0	110.0	73.0	79.5	61.9	74.2	51.9
October	98.9	101.8	108.2	69.6	83.1	69.4	78.2	52.9
November	97.5	101.3	105.6	68.3	81.1	67.5	75.2	46.9
December	96.9	100.8	103.0	72.4	81.1	67.2	74.8	52.5
2001 January	92.1	99.4	95.6	62.8	79.7	65.8	72.5	51.1
February	91.2	99.0	95.5	58.0	82.2	68.5	77.3	46.8
March	91.0	99.5	92.7	62.2	81.5	67.6	75.7	51.4
April	91.0	98.4	96.1	57.1	80.6	66.3	74.5	50.7
May	89.3	97.7	93.2	55.1	79.7	66.4	72.3	49.6
June	87.0	98.0	86.7	55.3	80.6	66.7	74.3	49.3
July	87.1	98.4	86.3	55.3	79.4	67.5	71.0	49.3
August	86.2	98.3	85.6	51.9	77.8	64.9	69.1	47.4
September	88.2	97.6	91.1	53.3	77.6	63.5	68.9	51.9
October	81.5	95.4	77.6	48.9	78.6	66.8	70.1	45.9
November	80.2	96.7	70.8	53.5	73.2	62.0	60.2	45.4
December	74.6	93.4	60.7	51.3	74.5	56.5	66.9	40.4
2002 January	72.6	93.3	56.2	48.9	72.7	60.8	60.8	37.4
February	72.3	93.3	55.1	49.3	75.1	62.6	64.7	37.9
March	73.3	93.1	57.4	50.9	74.1	63.2	61.9	39.8
April	72.7	92.8	54.5	53.9	74.7	60.7	65.2	36.4
May	72.4	91.7	49.7	64.2	76.1	63.3	66.2	41.0
June	72.9	92.1	52.9	61.1	76.7	62.5	67.0	41.0
July	70.5	91.9	49.4	53.4	74.8	63.2	63.5	39.4
August	69.3	91.8	48.7	48.4	77.6	64.7	68.2	42.1
September	69.7	91.8	49.0	50.2	78.0	64.9	67.6	55.1
October	68.3	91.4	48.9	43.0	75.9	62.6	64.0	58.4
November	67.7	91.0	48.2	42.2	73.6	61.0	61.5	45.7
December	66.0	90.5	44.4	40.9	74.4	60.2	63.9	45.3
2003 January	65.3	90.2	42.5	41.6	73.9	62.9	60.3	52.2
February	64.4	89.9	41.1	39.8	76.7	63.2	65.9	54.3
March	64.4	90.0	40.6	40.4	74.0	63.3	60.2	52.6
April	64.4	89.4	41.4	40.4	76.0	63.4	64.2	55.4
May	62.3	89.1	37.6	36.8	75.5	63.5	62.6	57.5
June	63.0	89.2	37.8	39.8	77.4	64.6	66.4	54.8
July	61.8	88.9	34.5	40.4	75.9	64.5	61.9	65.5
August	62.0	88.8	34.3	41.9	76.1	64.6	62.9	60.3
September	61.3	88.8	34.4	38.1	78.6	67.2	65.8	68.8
October	61.1	88.7	35.5	35.1	75.8	64.3	62.7	59.8
November	60.0	88.5	32.9	34.4	73.3	62.4	59.8	47.7
December	59.5	88.3	31.9	33.7	73.4	60.0	61.7	46.1
2004 January	59.2	88.2	32.1	32.0	74.0	61.2	62.6	43.1
February	58.3	87.2	30.4	32.7	74.5	60.0	64.6	41.7
March	58.4	88.1	30.5	30.4	73.3	60.5	62.4	35.8
April	57.8	87.5	29.4	31.0	72.9	60.9	60.9	39.6
May	57.1	86.9	28.5	30.2	71.6	60.5	58.4	39.5
June	57.4	87.1	28.7	30.9	72.5	60.2	60.6	38.8
July	57.0	87.0	27.6	31.4	71.5	59.8	58.5	40.4
August	57.1	86.7	27.9	31.5	70.6	61.0	55.6	40.4
September	56.6	86.6	27.2	30.6	70.8	61.3	56.0	39.8
October*	54.7	85.0	24.9	27.9	70.2	60.8	55.3	38.5
November*	55.1	86.1	25.3	27.2	71.3	60.9	58.0	35.1
December*	55.0	85.4	25.1	28.3	69.7	60.0	54.7	39.0

* Subject to revision

Table 3.3
Monthly Producer Price Indices - Continued
(June 1995 = 100)

	Business Special Access Switched Toll Service, except Private Lines	Outbound Business Special Access Switched Toll Service	Intrastate Business Special Access Switched Toll Service, Outbound	Interstate Business Special Access Switched Toll Service, Outbound	International Business Special Access Switched Toll Service, Outbound	Inbound Business Special Access Switched Toll Service	Intrastate Business Special Access Switched Toll Service, Inbound
NAICS Series ID	517110222	5171102221	51711022211	51711022212	51711022213	5171102222	51711022221
1999 January	72.9	65.4	67.0	61.4	68.5	86.3	77.3
February	71.2	63.5	63.0	58.3	68.0	84.9	84.6
March	70.5	62.3	63.5	58.5	63.8	85.2	80.3
April	73.3	64.7	69.5	63.6	61.5	88.6	79.8
May	72.0	63.1	66.0	63.5	57.7	88.0	79.9
June	71.2	60.0	61.9	60.0	54.2	91.2	83.8
July	63.0	58.3	61.5	56.6	53.6	71.6	64.0
August	60.1	51.5	54.5	53.1	38.7	75.7	67.4
September	61.4	54.2	58.7	55.0	43.4	74.4	65.5
October	61.9	57.6	60.8	57.3	50.6	69.5	59.5
November	61.4	53.9	54.0	51.2	50.1	74.8	65.6
December	61.5	56.0	56.3	53.7	52.5	71.2	61.6
2000 January	58.2	50.6	47.0	44.9	51.3	71.9	62.4
February	62.4	55.5	55.3	51.9	53.8	74.8	66.0
March	59.7	52.6	52.3	49.4	49.1	72.5	63.1
April	59.7	53.2	52.6	50.2	49.7	71.3	61.6
May	57.7	51.7	50.0	48.3	48.6	68.5	58.3
June	57.0	50.5	51.3	48.4	43.8	68.8	58.6
July	55.4	49.0	49.4	48.0	40.3	66.8	56.1
August	55.6	48.7	50.3	48.2	38.5	67.9	57.4
September	54.3	46.5	46.3	45.3	36.9	68.3	57.9
October	54.7	48.9	46.2	46.8	41.6	65.3	54.3
November	53.3	48.2	49.1	47.2	38.7	62.5	50.9
December	54.5	45.7	45.5	44.2	36.4	70.3	60.5
2001 January	53.0	43.8	40.7	39.4	39.0	69.5	59.5
February	50.2	42.8	43.1	39.7	34.4	63.5	52.1
March	50.7	41.9	41.1	39.5	32.2	66.5	55.4
April	48.9	41.3	47.0	34.8	35.4	62.4	52.9
May	49.3	41.4	49.5	35.5	33.8	63.4	58.5
June	49.6	40.7	44.4	34.9	34.4	65.5	56.8
July	47.9	41.1	41.5	38.7	30.8	60.1	49.9
August	48.4	39.5	37.5	34.6	33.0	64.4	57.7
September	51.2	43.5	49.1	37.2	38.5	65.1	58.5
October	47.4	40.7	49.7	33.6	34.1	59.6	53.3
November	50.2	41.9	29.5	32.6	47.3	65.0	60.8
December	47.7	40.2	47.8	30.0	38.8	61.3	53.4
2002 January	46.0	36.9	47.2	25.7	34.9	62.8	62.8
February	45.3	39.1	48.3	29.4	36.1	56.2	45.7
March	44.9	38.9	52.2	28.3	35.5	55.3	48.1
April	42.8	36.8	53.8	25.0	33.1	53.5	45.4
May	46.7	39.4	50.0	30.2	34.8	59.9	57.0
June	45.0	38.7	49.0	29.5	34.2	56.2	51.9
July	43.9	38.1	49.7	27.7	34.5	54.2	48.5
August	44.8	38.4	43.7	29.4	35.0	56.2	51.2
September	45.9	40.0	52.1	30.4	35.8	56.3	50.5
October	43.3	36.8	45.8	27.0	33.0	54.8	47.2
November	43.9	37.9	47.7	28.6	33.3	54.5	46.3
December	41.2	35.4	43.1	24.3	33.5	51.6	46.6
2003 January	41.5	34.9	47.3	25.1	29.0	53.2	54.0
February	42.8	36.1	42.5	27.3	31.0	54.8	46.7
March	43.1	37.4	46.8	29.7	29.9	53.2	51.5
April	42.6	36.3	47.1	25.3	33.3	53.9	47.8
May	43.4	37.5	41.8	28.1	35.1	53.7	50.8
June	42.6	35.9	44.2	26.2	31.7	54.7	46.9
July	43.7	39.4	51.1	31.0	32.9	51.0	51.0
August	43.9	38.8	49.6	30.0	33.2	52.5	44.3
September	43.5	38.6	50.5	29.0	34.1	51.7	52.3
October	41.9	36.7	46.2	28.4	29.8	51.0	48.1
November	43.5	38.7	49.3	30.5	32.2	51.6	50.2
December	42.3	36.9	46.9	28.5	30.2	51.6	48.8
2004 January	42.4	36.6	47.4	28.1	29.6	52.5	49.4
February	42.3	37.1	42.6	31.7	26.8	51.3	46.9
March	42.0	35.6	42.4	29.6	25.4	53.5	50.0
April	42.0	36.1	46.0	29.7	25.3	52.4	46.7
May	41.8	36.0	43.6	29.7	26.0	52.2	48.4
June	41.6	35.7	43.8	29.3	25.5	52.0	50.5
July	40.4	35.1	43.0	27.7	26.5	49.8	47.7
August	40.0	34.5	44.1	26.4	26.2	49.8	48.4
September	40.2	34.4	45.0	26.8	25.1	50.5	51.7
October*	39.8	34.6	44.0	26.5	26.5	48.8	48.0
November*	39.1	33.9	41.2	26.1	25.6	48.3	45.0
December*	39.5	33.9	42.2	26.1	25.4	49.5	47.2

* Subject to revision

Table 3.3
Monthly Producer Price Indices - Continued
(June 1995 = 100)

	Interstate Business Special Access Switched Toll Service, Inbound	International Business Special Access Switched Toll Service, Inbound	Other Toll Service	Private Line Service	Intrastate Private Line Service	Other Telephone Services
NAICS Series ID	5171102222	5171102223	51711029	5171103	51711031	5171109
1999 January	97.6	96.0	101.5	100.2	100.6	100.8
February	93.0	96.1	101.5	100.3	100.8	100.8
March	94.7	96.0	101.5	100.3	100.8	100.8
April	101.2	96.2	101.4	100.3	100.8	100.8
May	100.0	96.2	102.0	100.3	100.8	100.8
June	104.9	96.9	100.1	100.3	100.8	100.8
July	74.2	97.1	101.6	100.3	100.8	100.2
August	80.7	96.5	100.0	100.3	100.8	100.2
September	79.0	96.2	101.9	100.3	100.8	100.8
October	71.6	92.1	100.0	100.3	100.8	100.8
November	79.6	85.0	98.8	100.3	100.8	100.9
December	74.3	84.5	99.1	100.4	101.2	100.4
2000 January	75.2	90.6	99.1	100.4	101.2	100.7
February	79.5	90.0	99.6	100.4	101.2	100.9
March	76.1	90.8	100.2	100.4	101.2	100.5
April	74.3	88.5	100.6	100.4	101.2	100.6
May	70.2	89.1	100.3	100.4	101.2	100.0
June	70.6	89.1	100.8	100.4	101.2	100.0
July	67.6	85.2	100.6	100.4	101.2	100.7
August	69.2	93.0	100.3	100.4	101.2	100.6
September	69.8	95.5	100.4	100.4	101.2	101.3
October	65.2	93.0	99.3	100.4	101.1	100.0
November	61.2	78.2	99.8	100.4	101.2	101.3
December	72.9	88.8	95.6	100.4	101.2	101.0
2001 January	71.6	84.2	101.7	100.4	101.1	101.5
February	62.7	81.3	102.9	100.4	101.0	101.5
March	67.2	84.5	101.0	100.4	101.0	101.5
April	60.4	90.4	101.6	100.4	101.0	101.5
May	60.6	90.1	101.4	100.3	100.7	101.5
June	65.0	93.2	101.2	100.3	101.0	101.5
July	56.9	92.6	100.3	100.3	101.0	101.4
August	62.8	88.5	100.2	100.3	101.0	101.4
September	63.7	87.7	101.0	100.5	101.5	101.5
October	55.1	85.7	100.6	100.6	101.7	101.5
November	63.0	80.7	100.3	100.6	101.7	101.7
December	58.3	70.4	101.6	100.6	101.7	101.7
2002 January	58.4	78.6	102.4	100.6	101.7	101.7
February	50.6	76.0	100.5	100.6	101.9	101.7
March	48.4	77.2	99.2	100.6	101.9	101.7
April	45.6	75.6	99.2	100.7	102.2	101.7
May	54.5	74.4	99.9	100.8	102.3	101.6
June	48.9	74.6	100.1	100.9	102.5	101.6
July	46.1	74.2	99.5	100.9	102.7	101.6
August	49.1	75.6	99.6	100.9	102.7	101.6
September	49.6	75.2	99.5	100.9	102.7	101.6
October	47.6	73.5	95.9	101.3	103.7	101.9
November	47.3	74.5	96.4	101.3	103.7	101.8
December	41.6	74.0	93.9	101.3	103.7	102.0
2003 January	42.7	73.9	91.5	101.3	103.7	102.0
February	47.7	74.4	92.4	101.3	103.7	101.9
March	43.4	60.9	90.5	101.3	103.7	101.9
April	45.8	61.3	90.4	101.3	103.7	101.9
May	44.5	59.2	87.2	101.3	103.7	101.9
June	47.5	55.4	86.9	101.3	103.7	101.9
July	39.4	56.4	85.6	101.2	103.6	101.9
August	44.2	54.6	86.7	101.2	103.6	101.7
September	40.4	56.2	84.9	101.2	103.6	101.7
October	40.2	58.6	84.1	101.2	103.6	101.9
November	40.8	52.4	82.7	101.2	103.6	101.9
December	41.1	52.3	81.6	101.2	103.6	101.9
2004 January	42.7	55.6	82.9	101.2	103.6	101.9
February	41.1	54.3	80.7	101.2	103.6	101.9
March	44.4	62.6	78.7	101.2	103.6	101.8
April	43.3	48.5	77.4	101.2	103.6	101.8
May	42.4	46.9	76.9	101.2	103.6	101.8
June	41.4	49.2	75.2	101.2	103.6	101.8
July	38.2	46.6	74.6	101.2	103.6	101.8
August	38.0	45.1	73.3	101.2	103.6	101.8
September	38.2	44.4	74.0	101.3	103.8	101.8
October*	36.1	44.1	71.9	101.2	103.6	102.0
November*	36.0	37.1	71.2	101.2	103.6	102.0
December*	37.7	38.1	71.7	101.2	103.6	102.0

* Subject to revision

Appendix

Residential Rate Review

Please update these data for October 15, 2004

I. Access Rates	Generally Available Service		Subsidized Services Such as Lifeline	
	(#1) Unlimited or Flat-Rate Service	(#2) Measured or Message Service	(#3) Unlimited or Flat-Rate Service	(#4) Measured or Message Service
Monthly Charges per line (Express all figures in DOLLAR amounts)				
a. Recurring service charge incl. touch-tone b. Federal subscriber line charge (SLC) c. State subscriber line charge				
d1. Federally tariffed local number portability (LNP) surcharge d2. Federal universal service surcharge on Federal SLC and LNP d3. Other mandatory surcharges (such as gross receipts tax, regulatory fees or passthrough charges on the State SLC) accounted as company revenue				
d4. Tax or surcharge for funding 911 service d5. Federal excise tax d6. Intrastate telecommunications relay service (TRS or relay) tax or surcharge d7. Tot. other taxes (sales, excise, etc.) levied on customers by state, county, local govts. e. Total Surcharges and Taxes (sum d1 to d7)				
f. Total Monthly Recurring Charge = a + b + c + e				
g. Lowest monthly inside wiring plan h. Optional extended area plan				
Charges for calls in local service area				
i. Number of voice calls or message units included in monthly rate if message service j. Dollar calling allowance for voice calls incl. in monthly rate if measured service k. Charge for a 5-minute, business day, same-zone voice call				
II. Service Connection Charges			Normal Service	Subsidized Service (e.g., Link-Up)
a. Total connection charge for residential service if no premises visit is required b. Minimum additional charge if drop line and terminal block are needed to connect service. Do not include any inside wiring charges.				
III. Other Mandatory Charges for Connection			Normal Service	Subsidized Service (e.g., Link-Up)
a. Mandatory surcharges on connection accounted as company revenue (in dollars) b. State, county, and local taxes and surcharges on connection (total in dollars) c. Other mandatory connection charges (in dollars)				
Notes				

Form Completed by: _____

Contact Telephone Number: _____

Contact E-mail: _____

Business Rate Review

Please update these data for October 15, 2004

I. Access Rates

Monthly Charges per line (Express all figures in DOLLAR amounts)	Single Line Business	
	Unlimited Service	Measured Service
a. Recurring service charge (including touch-tone)		
b. Federal subscriber line charge (SLC)		
c. State subscriber line charge		
d1. Federally tariffed local number portability (LNP) surcharge		
d2. Federal universal service surcharge on the Fed. SLC and LNP		
d3. Other mandatory surcharges (such as gross receipts tax, regulatory or passthrough charges on the State SLC) accounted as company revenue		
d4. Tax or surcharge for funding 911 service		
d5. Federal excise tax		
d6. Intrastate telecommunications relay service (TRS or relay) tax		
d7. Total other taxes (such as sales, excise, etc.) levied on customers by state, county, local governments		
e. Total Surcharges and Taxes (sum d1 to d7)		
f. Total Monthly Recurring Charge = a + b + c + e		
g. Lowest monthly inside wiring		

Charges for calls in the local service area

- h. The number of voice calls or message units included in the monthly recurring rate if message service _____
- i. The dollar calling allowance for voice calls included in the monthly recurring rate if measured service _____
- j. The charge for a 5-minute, business day, same-zone voice call _____

II. Service Connection Charges

	Single Line Business
a. Total connection charge for single-line business service. Assume no premise visit is required.	_____
b. Minimum additional charge if drop line and terminal block are needed to connect service. Do not include any inside wiring charges. Do not include the cost of an NT1 interface or power supply for ISDN lines.	_____

III. Other Mandatory Charges for Connection

a. Mandatory surcharges on connection accounted as company revenue (in dollars)	_____
b. State, county, and local taxes and surcharges on connection (total in dollars)	_____
c. Other mandatory connection charges (in dollars)	_____

IV. Payphone Charges

a. Tariff rate for a 5-minute, business day, same-zone call at a company-owned payphone	_____
---	-------

Notes

Form Completed by: _____

Contact Telephone Number: _____

Contact E-mail: _____

Customer Response

Publication: *Reference Book of Rates, Price Indices, and Household Expenditures for Telephone Service, 2005.*

You can help us provide the best possible information to the public by completing this form and returning it to the Industry Analysis & Technology Division of the FCC's Wireline Competition Bureau.

1. Please check the category that best describes you:

- press
- current telecommunications carrier
- potential telecommunications carrier
- business customer evaluating vendors/service options
- consultant, law firm, lobbyist
- other business customer
- academic/student
- residential customer
- FCC employee
- other federal government employee
- state or local government employee
- Other (please specify)

2. Please rate the report:	Excellent	Good	Satisfactory	Poor	No opinion
Data accuracy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Data presentation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Timeliness of data	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Completeness of data	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Text clarity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Completeness of text	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3. Overall, how do you rate this report?	Excellent	Good	Satisfactory	Poor	No opinion
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

4. How can this report be improved?

5. May we contact you to discuss possible improvements?

Name:

Telephone #:

Questions? Contact Paul Zimmerman at 202-418-7285 or email paul.zimmerman@fcc.gov		
Fax this response to	Or	Mail this response to
202-418-0520		FCC/IATD Washington, D.C. 20554