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Consumer advocates call for study of decline in the number of households with telephone service

Silver Spring, MD – August 11, 2005 – The group of state utility consumer advocates are calling on the Federal Communications Commission (FCC) to shed light on statistics that show that 8.7 million households are without telephone service, the largest number of homes since 1983. The request was made by the National Association of State Utility Consumer Advocates (NASUCA) through a letter to the FCC.

“After 18 years of seeing an increased number of households with telephone service, consumer advocates are concerned about a consistent pattern of decline since 2003,” said John R. Perkins, President of NASUCA and consumer advocate for the state of Iowa. “We urge the FCC to examine why the number of telephone subscribers has dropped.”

NASUCA is concerned about any disturbing trends that could be behind the numbers, which show a decline in households with telephone service from March 2003 (95.5 percent of homes) to March 2005 (92.4 percent of homes). The concerns are based on NASUCA’s examination of the FCC’s “Subscribership Report,” which is published three times per year.

The FCC reports consider subscribers of both traditional home telephone and wireless service. Therefore, the declining numbers could reflect fewer consumers having any ability to make and receive calls in their homes.

NASUCA noted that an explanation of the declines could be statistical in nature but could also indicate that a significant problem exists with consumers’ access to basic local telephone service.

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“The statistics show a decline across all income levels at the same time that the amount of money in the fund designed to make service affordable to low-income and rural consumers is at record high levels. We need the FCC to reconcile these facts,” said David Bergmann of the Office of the Ohio Consumers’ Counsel and Chairman of NASUCA’s Telecommunications Committee.

While NASUCA praised the FCC’s launch of “Lifeline Across America” as a valuable program to increase the public’s awareness of Lifeline and Link-up, the income-based telephone assistance programs, it said that more should be done for those who do not qualify.

“Given the state of telephone access, more needs to be done to assist those who do not meet the income criteria to qualify for Lifeline and Link-up,” said Bergmann.

About NASUCA

The National Association of State Utility Consumer Advocates (NASUCA) is an association of 42 advocate offices. Members are designated by the laws of their respective jurisdictions to represent the interests of utility consumers before state and federal regulators and in the courts.

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