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Federal Communications Commission
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FOR IMMEDIATE RELEASE
August 20, 2001

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FCC Releases Study on Telephone Trends

Washington, D.C. – Today, the Federal Communications Commission (FCC) released its bi-annual report, *Trends in Telephone Service*. The report provides answers to some of the most frequently asked questions about the telephone industry asked by consumers, members of Congress, other government agencies, telecommunications carriers, and members of the business and academic communities.

The report includes a new table (10.12), *Bell Operating Company (BOC) Applications to Provide In-region InterLATA Service*, which summarizes, to date, BOC Section 271 long distance applications.

Highlights from sections in the report on advanced telecommunications services, local telephone competition, telephone rates, subscribership, and toll-free numbers are shown below:

Advanced Telecommunications Services

- High-speed lines (over 200 kbps in at least one direction) connecting homes and businesses to the Internet increased by 63% during the second half of 2000, to a total of 7.1 million lines (or wireless channels) in service at the end of 2000 from 4.4 million in June 2000. The rate of growth for the full year was 158%.
- Of the total 7.1 million high-speed lines, 5.2 million were residential and small business subscribers.
- About 4.3 million of the 7.1 million high-speed lines provided services at speeds of over 200 kbps in both directions, and thus met the Commission's definition of advanced services, an increase of 51% during the last six months of the year 2000. The rate of growth for the full year was 118%.

Local Telephone Competition

- As of December 2000, Competitive Local Exchange Carriers (CLECs) provided 16.4 million (or 8.5%) of the approximately 194 million nationwide local telephone lines that were in service to end users as opposed to 8.3 million (or 4.4%) of nationwide local telephone lines at the end of 1999. This represents a 97% growth in CLEC market size during year 2000.

- About one-third of CLEC end-user lines are served over “local loop” facilities that the CLECs own.
- Incumbent Local Exchange Carriers (ILECs) reported providing other carriers about 6.8 million lines on a resale basis at year-end 2000, compared to about 5.7 million lines six months earlier, and they provided about 5.3 million unbundled network element (UNE) loops at the end of the year 2000, an increase of 62% during the six months.

Telephone Rates

- Local phone rates have remained steady during the last decade. The average monthly local residential charge for service was \$20.78 in October 2000 as compared to \$19.24 in 1990.
- For a business with a single phone line, the representative charge for service was \$41.80 in October 2000 as compared to \$41.21 in 1990.

Subscribership

- Twenty million households have been added to the nation's telephone system since November 1983. As of November 2000, 100.2 million households had telephone service.

Toll-Free Numbers

- There are currently four toll-free prefixes in use - 800, 888, 877, and 866 - with almost 24.5 million toll-free numbers assigned as of the end of July 2001.

This report is available for reference in the FCC's Reference Information Center, Courtyard Level, 445 12th, S.W. Copies may be purchased by calling International Transcription Services, Inc. (ITS) at (202) 857-3800. The report can be downloaded [file names: TREND101.ZIP, TREND101.PDF] from the **FCC-State Link** Internet site at www.fcc.gov/ccb/stats.

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For further information, contact the Industry Analysis Division, Common Carrier Bureau, at (202) 418-0940, or for users of TTY equipment, call 202-418-0484.