



# NEWS

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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. Circ 1974).

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## **FEDERAL COMMUNICATIONS COMMISSION RELEASES** **STUDY ON TELEPHONE TRENDS**

Washington, D.C. – Today, the Federal Communications Commission (FCC) released its *Trends in Telephone Service* report, which summarizes in one convenient reference, information published in various reports over the course of the past year. 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.

Highlights from the report include:

### **Advanced Telecommunications Services**

- High-speed lines (over 200 kbps in at least one direction) connecting homes and businesses to the Internet increased by 23% during the second half of 2002, from about 16.2 million lines in service as of June 30, 2002 to 19.9 million as of December 31, 2002.
- About 13.0 million high-speed lines provided speed of over 200 kbps in both directions as of December 31, 2002, and thus met the Commission's definition of advanced services, compared to about 10.4 million as of June 30, 2002.

### **Local Telephone Competition**

- As of December 2002, competitive local exchange carriers (CLECs) provided 24.8 million (or 13.2%) of the approximately 188 million nationwide local telephone lines that were in service to end users as opposed to 21.6 million (or 11.4%) of nationwide local telephone lines as of June 2002.
- About one-fourth 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 2.7 million lines on a resale basis as of December 31, 2002, compared to about 3.5 million lines six months earlier. ILECs provided about 14.5 million unbundled network element (UNE) loops as of December 31, 2002, compared to about 11.5 million loops six months earlier.

### **International Calling**

- The number of calls made from the United States to other countries increased from 200 million in 1980 to 6.3 billion in 2001.
- In 2001, Americans spent about \$11.4 billion on international calls. On average, carriers billed 34 cents per minute for international calls in 2001, a decline of more than 74% since 1980.

### **Telephone Rates**

- The average monthly local residential charge for service was \$23.38 in October 2002 as compared to \$19.72 in October 1992.
- For a business with a single phone line, the representative charge for service was \$43.59 in October 2002, as compared to \$42.29 in October 1992.
- The average connection charge for a residential phone was \$42.39 as of October 2002, compared to \$45.01 in October 1992. The average connection charge for a business phone was \$72.35 as of October 2002, compared to \$78.07 in October 1992.
- From 1984 to 2001, the cost of long distance calling dropped from 32 cents per minute to 10 cents per minute. The average price of 10 cents per minute represents a mix of international calling (35 cents per minute) and domestic interstate calling (8 cents per minute).

### **Subscribership / Household Expenditures /Toll-Free Numbers**

- More than twenty-five million households have been added to the nation's telephone system since November 1983. As of November 2002, 104.0 million households had telephone service.
- According to sample data from TNS Telecoms, a marketing information research firm, the average monthly household telecommunications expenditures for households with wireline service were \$83 for 2002; \$36 for local exchange service, \$12 for long distance service, and \$35 for wireless service. The corresponding expenditures for 1995 were \$30 for local exchange service, \$21 for long distance service, and \$7 for wireless service. According to the Cellular Telecommunications & Internet Association (CTIA), the average monthly wireless bill was \$48.40 as of December 2002, compared to \$68.68 as of December 1992.
- There are currently four toll-free prefixes in use - 800, 888, 877, and 866 - with almost 23 million toll-free numbers assigned as of the end of June 2003.

The report is available for reference in the FCC's Reference Information Center, Courtyard Level, 445 12th Street, SW, Washington, DC. Copies may be purchased by calling Qualex International at (202) 863-2893. The report can also be downloaded from the **FCC-State Link** Internet site at [www.fcc.gov/wcb/stats](http://www.fcc.gov/wcb/stats).

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