



Division of Ratepayer Advocates
California Public Utilities Commission
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FOR IMMEDIATE RELEASE

PRESS RELEASE

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**CONSUMER WATCHDOG DRA GUARDS
AFFORDABLE PHONE RATES**

SAN FRANCISCO, July 29, 2008 - The Division of Ratepayer Advocates (DRA), an independent consumer advocacy division of the California Public Utilities Commission (CPUC), filed a petition today with the CPUC to extend rate protections for residential telephone services for an additional three years, through 2012, in order for the CPUC to conduct an investigation into the affordability of rates for those services.

The current rate freeze for basic residential telephone service offered by companies like AT&T and Verizon is set to expire on January 1, 2009. DRA is asking the CPUC to continue these rate protections and to consider rate protections for other service features such as call waiting.

“Since the CPUC adopted telecommunications policies favoring price deregulation, California consumers have seen sustained price increases for many essential services,” said Dana Appling, Director of DRA. “California consumers should expect just and reasonable rates for utility services. DRA believes residential customers should have the ability to choose basic wireline telephone service at an affordable rate.”

Concurrent with its request, DRA issued a report detailing price increases implemented by telephone companies over the last two years. The report illustrates substantial price



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increases in a variety of telephone services, such as the “returned check charge,” which AT&T has almost tripled since August 2006. A copy of the report is available at <http://www.dra.ca.gov/DRA/Telecom/hot/DRA+Opposes+Telephone+Deregulation.htm>

For more information on DRA, please visit www.dra.ca.gov.

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