

How Increases of \$10 and \$20 in Total Monthly Bill Affect Affordability

		Non-customers			Hispanic				
		Total	GTE	PB	Tot	LD	NLD	Black	White
		%	%	%	%	%	%	%	%
<i>Estimated monthly bill would be —</i>									
Very easy to afford		47	47	47	40	41	39	52	62
Somewhat easy		33	30	34	36	35	39	36	24
Difficult		19	22	19	24	25	23	13	12
<i>If \$10 more —</i>									
Very easy		25	38	24	18	18	17	36	36
Somewhat easy		32	25	32	32	33	31	37	28
(Becomes) difficult		23	13	24	26	24	29	15	21
Total difficult		42	35	43	50	49	52	28	33
<i>If \$20 more —</i>									
Very easy		9	15	9	8	6	11	10	14
Somewhat easy		23	20	23	19	23	13	30	25
(Becomes) difficult		25	27	25	23	22	25	31	25
Total difficult		67	62	68	73	71	77	59	58
Base (qualify)		(480)	(246)	(234)	(294)	(185)	(109)	(99)	(74)

Source: Q.124, 125, 126(NC)

Field Research Corporation

How Increases of \$10 and \$20 in Total Monthly Bill Affect Affordability

Table 8.14

The table opposite shows sensitivity to increases of \$10 and \$20 over the expected monthly ULTS bill by company and by ethnicity/race.

Highlights

As noted earlier, although a majority of all groups say the expected ULTS bill would not be difficult to afford, Hispanics are more likely to say they would have trouble affording it than are Blacks and Whites. Hispanics also expect somewhat larger monthly bills than do Blacks or Whites. (See Table 8.10).

Looking at sensitivity to an increase of \$10 in the expected monthly bill:

While most non-customers appear able to tolerate a \$10 increase, about one in four non-customers (23%) indicates a \$10 increase makes it difficult to afford. (See percentages who say it "becomes difficult".)

Looking at sensitivity to an increase of \$20 in the expected monthly bill:

As noted earlier, there is relatively little tolerance to an increase of \$20: when that happens, the majority of non-customers say their ULTS bill would be difficult to afford. (See "total difficult".)

These data suggest that even a \$10 increase in the bill significantly reduces affordability, and a \$20 increase means that, for most, the service is difficult to afford. This underscores the need to provide some means for helping customers control the size of the bill.

Interest in Signing Up for ULTS (Assuming Eligible)

	<u>Non-customers</u>					<u>Hispanic</u>			
	<u>Total</u>	<u>GTE</u>	<u>PB</u>	<u>Tot</u>	<u>LD</u>	<u>NLD</u>	<u>Black</u>	<u>White</u>	
	%	%	%	%	%	%	%	%	
<i>Assuming you are eligible, do you think you will —</i>									
Call to sign up	77	81	76	82	93	62	80	60	
Continue doing what do now	23	18	24	18	7	37	20	40	
Base (qualify)	(480)	(246)	(234)	(294)	(185)	(109)	(99)	(74)	

Interest in Signing Up for ULTS (Assuming Eligible)

Table 8.15

At the conclusion of this series, non-customers were asked whether they think they would sign up for ULTS or continue doing what they are doing now.

Responses are shown opposite.

Highlights

The large majority of non-customers express an interest in signing up for ULTS. However, about one-fourth of the total non-customer pool says it would not do so.

By company: The large majority of non-customers in both GTE and Pacific Bell areas say they would sign up for ULTS as described to them.

By ethnicity/race: LD Hispanics show the highest interest in signing up for ULTS (93%), followed by Blacks (80%). Whites and NLD Hispanics are the least likely to say they would sign up: 60% and 62% respectively.

Interest in Call Control Service (A)

	<u>Non-customers</u>							
	<u>Total</u>	<u>GTE</u>	<u>PB</u>	<u>Hispanic</u>				
				<u>Tot</u>	<u>LD</u>	<u>NLD</u>	<u>Black</u>	<u>White</u>
	%	%	%	%	%	%	%	%
<i>Interest in call control (CC) —</i>								
Interested	70	69	70	74	76	70	65	65
Not interested	29	31	29	25	24	28	32	35
Base (quality)	(480)	(246)	(234)	(294)	(185)	(109)	(99)	(74)
Interested in ULTS	<u>77</u>	<u>81</u>	<u>76</u>	<u>82</u>	<u>93</u>	<u>62</u>	<u>80</u>	<u>60</u>
% interested in CC	77	74	77	79	78	80	73	79
Not interested in ULTS	<u>23</u>	<u>18</u>	<u>24</u>	<u>18</u>	<u>7</u>	<u>37</u>	<u>20</u>	<u>40</u>
% interested in CC	46	45	46	53	47	55	32	46

(A) "What if there were some way for you to control the calls that cost extra. For example, the phone company could set some limit on those calls so you would not go over that limit... Would you be interested in this type of service or not?"

Source: Q.127, 129(NC)

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Interest in Call Control Service

Table 8.16

After being asked their interest in ULTS, all non-customers were asked:

"What if there were some way for you to control the calls that cost extra. For example, the phone company could set some limit on those calls so you would not go over that limit ... Would you be interested in this type of service or not?"

Highlights

Non-customers have high interest in a service that would help them control the calls that cost extra:

First, among those who express interest in ULTS:

77% of this group would be interested in a call control service. Interest is high across all ethnic/racial groups studied.

Next, among those who express no interest in having ULTS:

Almost half (46%) of those not interested in having ULTS say they would be interested in a call control service. This indicates that a call control service could increase interest in having ULTS.

The relatively high interest in call control among those who do not initially express interest in ULTS also suggests that concern about controlling calls could account for as much as nearly half of the non-interest in ULTS when presented prior to the call control concept.

Interest in ULTS among Matched Customers

Matched customers were asked about ULTS in a slightly different fashion than non-customers.

Specifically, they were asked:

Do they have ULTS now? If they have it now, they were not asked about ULTS.

If they do NOT have it, they were shown the card that describes the qualifications for ULTS (same as non-customers) and asked the following:

Do you think you would qualify for this service?

IF YES: Do you know about how much you now pay for your basic monthly telephone service and how much you pay for extra calls that are not included as part of the basic monthly service?

Well, aside from any calls you make, you are either paying a basic monthly rate of (\$9.75) (\$8.35)³ for Flat Rate or (\$5.25) (\$4.45) for Measured Rate. If you were to subscribe to Lifeline service, you would still pay whatever you do now for calls. However, you would save about (\$5.88) (\$5.17) per month if you have Flat Rate or (\$3.63) (\$3.22) per month if you have Measured Rate.

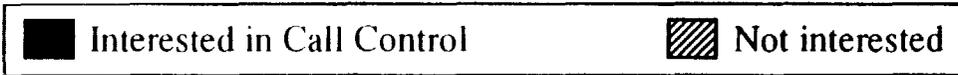
Given those savings would this make your monthly telephone service easier for you to afford or not?

Assuming you are eligible for this special phone service, do you think you will get in touch with the phone company to sign up for it or will you continue doing what you do now?

What if there were some way for you to control the calls that cost extra. For example, the phone company could set some limit on those calls so you would not go over that limit ... Would you be interested in this type of service or not?

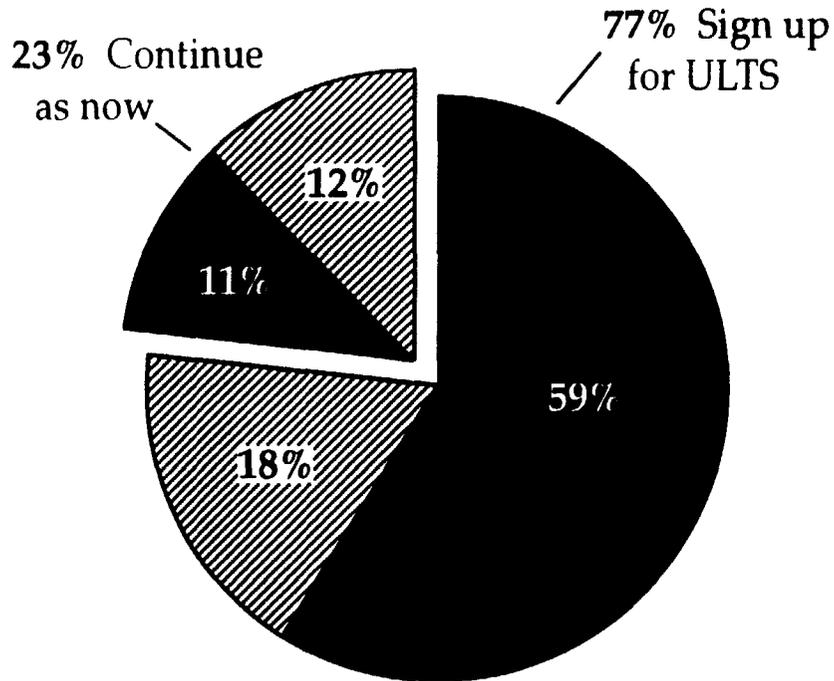
³GTE customers were shown GTE rates and Pacific Bell customers were shown Pacific Bell rates. GTE rates are listed first.

Interest in Call Control Service: Non-Customers vs. Matched Customers



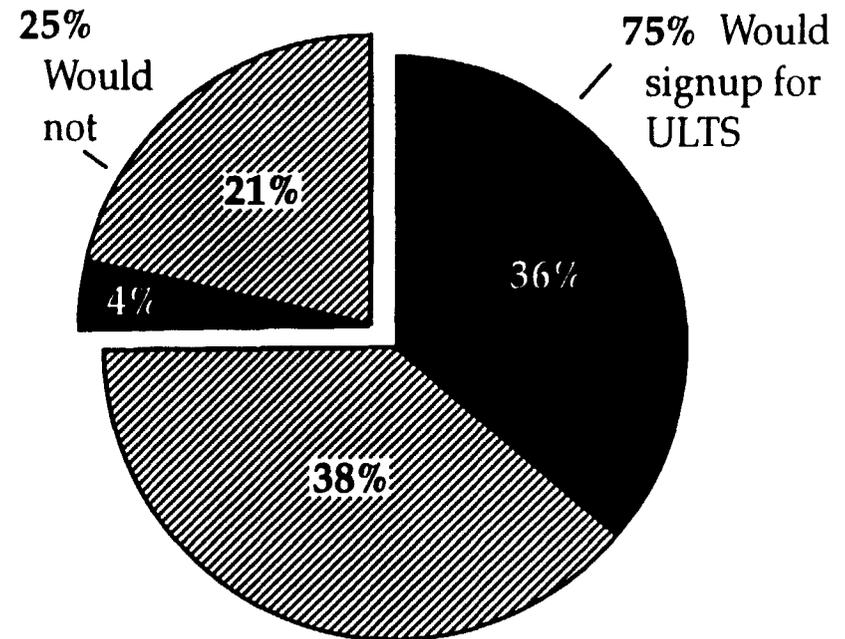
Non-customers

(n=480)



Matched Customers who qualify for ULTS but don't have it: 20%

(n=157)



Interest in Call Control Service: Non-Customers vs. Matched Customers

Table 8.17

The table opposite shows non-customers' interest in ULTS and the call control service concept compared to the matched customers who don't have ULTS but say they would qualify for it.

Highlights

First, among those who say they would sign up for ULTS:

While the majority of non-customers who indicate an interest in ULTS say they would be interested in a call control service, this is less true for customers who indicate an interest in ULTS -- about half of them would be interested in a call control service as compared with about three-fourths of the non-customers.

Among those who are not interested in ULTS:

Matched customers who are not interested in ULTS typically are not interested in call control. However, about half of the non-customers who were not interested in ULTS are interested in a call control service. This lower interest in call control among customers underscores the special importance of call control for non-customers and reinforces many other findings indicating that lack of control over calls is one of the main reasons for not having, and, especially, no longer having phone service.

Part Three: Bill Paying Preferences

Introduction

Toward the end of the interview, non-customers and matched customers were asked how they pay their water, electricity and natural gas bills.

Matched customers were asked how they currently pay their telephone bill, where they prefer to pay it and how they prefer to pay it.

Chapter 9.0 How Pay Utility Bills and Preferences for Paying Telephone Bill

Examines:

Non-customers' and customers' preferences for paying utility bills by mail vs. in person

Matched customers' preferences for paying their telephone bill

How Pay Utility Bills: Non-Customers and Matched Customers

	<u>Non-Customers</u>			<u>Hispanic</u>			<u>Matched Customers</u>				
	<u>Total</u>	<u>GTE</u>	<u>PB</u>	<u>Tot</u>	<u>LD</u>	<u>NLD</u>	<u>Black</u>	<u>White</u>	<u>Tot</u>	<u>GTE</u>	<u>PB</u>
	%	%	%	%	%	%	%	%	%	%	%
<i>% of those who pay this who pay —</i>											
By Mail											
Water	33	29	33	37	34	41	12	29	55	53	55
Electricity	36	27	37	28	24	34	45	58	49	40	50
Natural gas	38	25	40	30	26	35	49	57	51	42	52
Cable TV	57	45	57	41	33	54	70	69	60	50	61
In Person											
Water	67	67	67	63	65	59	89	71	45	45	45
Electricity	64	71	63	72	78	64	58	42	52	60	51
Natural gas	61	73	60	69	74	63	54	39	50	58	48
Cable TV	39	55	38	54	67	32	30	24	41	49	41
	Base (ranges)	(79-445)	(29-257) (50-188)	(34-294)	(21-167) (13-127)		(21-91)	(11-56)	(157-472)	(68-271)	(80-201)

How Pay Utility Bills: Non-Customers and Matched Customers

Table 9.1

Non-customers and matched customers were asked how they pay their utility bills.

Responses are shown opposite.

Highlights

Non-customers are more likely than matched customers to pay their water, electricity and natural gas bills in person: about two-thirds pay these bills in person. Non-customers who say they pay their own cable TV bill (just 16%) are less likely to pay those bills in person than other bills although 39% do so.

By company: GTE non-customers are somewhat more likely to pay their electricity, natural gas and cable TV bills in person than are Pacific Bell non-customers.

By ethnicity/race: Black and White non-customers tend to pay their cable TV bill more by mail (70% and 60% respectively) than do Hispanics (41%).

Preference for Paying Telephone Bill: Matched Customers

	<u>Matched Customers</u>							
	<u>Tot</u>	<u>GTE</u>	<u>PB</u>	<u>Hispanic</u>			<u>Black</u>	<u>White</u>
				<u>Total</u>	<u>LD</u>	<u>NLD</u>		
	%	%	%	%	%	%	%	%
<i>Currently pay — (list read)</i>								
By mail	46	38	47	35	33	37	60	64
In person	56	61	55	66	67	63	46	39
Other	*	-	1	-	-	-	2	-
Base (a)	(510)	(258)	(252)	(320)	(178)	(142)	(95)	(88)
<i>Where prefer to pay — (list read)</i>								
By mail	43	39	44	35	34	36	45	62
Go to phone company	52	55	51	61	66	54	49	30
Other	5	6	5	4	*	9	6	8
<i>How prefer to pay — (list read)</i>								
By check	33	25	34	27	24	31	26	53
In cash	46	53	45	53	56	48	44	30
By money order	20	22	20	19	19	20	32	14
By phone	1	1	1	1	-	2	*	2
With credit card	*	1	*	1	1	-	*	-
Other	1	1	1	1	2	-	*	2
Base	(566)	(287)	(279)	(347)	(201)	(146)	(112)	(98)

(a) Only those who said in Q.917 that they pay their own phone bill were asked this question.

* Less than 0.5% Source: Q.6, 7, 917, 918

Preference for Paying Telephone Bill: Matched Customers

Table 9.2

Matched customers were asked how they currently pay their telephone bill, where they prefer to pay it, and how they prefer to pay it.

Responses are shown opposite.

Highlights

Matched customers' preferences for how to pay their telephone bill correspond with how they currently do so.

By company: No major differences are seen between the two companies on these measures.

By ethnicity/race: Hispanics are more likely to prefer to go to the telephone company to pay their telephone bill (61%) as compared to Blacks (49%) or Whites (30%). Hispanics are also more likely to prefer to pay in cash as compared to Whites.

Part Four: Asian and Low Income Senior Non-Customers

The objectives for the non-customer survey included interviewing special samples of Chinese, Korean, Vietnamese, and low income seniors.

The study design called for augmenting the cross-section survey of non-customers in low telephone penetration areas with special samples of each of the three Asian groups. It was planned to interview no fewer than 100 non-customers in each of the three Asian groups, providing a level of statistical precision equivalent to the intended level for Hispanics, Blacks and Whites (a minimum of 100 non-customers in each group).

No special provisions were made for augmenting low income seniors -- with a planned total of 500 non-customers in the cross section and another 300 Asian non-customers, it was anticipated that the study would yield close to 100 low income seniors.

As it happened, work on the special Asian supplements failed to yield Asian non-customers. Enough work was done to indicate that Asians in these low telephone penetration areas have telephone service at rates more comparable to the general population. One simply did not find Asian non-customers in these low telephone penetration areas, and even when an effort was made to go to areas with high percentages of Asian populations, virtually none of the Asians encountered in the listing were non-customers. This chapter documents the work done to find Asian non-customers and concludes with some implications drawn from the efforts to find them.

NOTE: In all cases, only bilingual Asian interviewers who were familiar with the areas were used.

Low Income Seniors

A total of 571 non-customers were interviewed in areas with low telephone penetration. Of these 571 non-customers, only 29 could be classified as low income seniors. Most of the non-customers in these low telephone penetration areas were between 30 and 50 years of age.

While this does not suggest, and should not be interpreted as suggesting, anything about telephone penetration rates among low income seniors, it does indicate that low income seniors without telephone service do not represent a significant percentage of non-customers in areas having less than 90% telephone penetration. They may exist in small pockets within areas with higher penetration rates.

Efforts to Find Asian Non-Customers

A. In the Cross-Section Clusters (not including Asian Supplement Clusters)

A total of 250 clusters (typically 6 to 8 city blocks) were selected at random from areas known to have less than 90% telephone penetration (U.S. Census, 1990). It was hoped to find 500 non-customers in these areas. The original 250 clusters failed to yield 500 non-customers, so additional clusters were worked. In all, a total of 563 non-customers were found and interviewed in the cross-section. Only 1 of these was Asian.

This leads to the first finding: Asian non-customers are rarely found in these low telephone penetration areas (i.e. areas in which fewer than 90% of the households have phone service).

B. In the Asian Supplemental Clusters

Anticipating that the cross-section would not yield many Asian non-customers, Field Research asked Equifax to draw special samples for the Asian augment. Specifically, Equifax provided 90 Asian clusters. Here is how this was done:

Starting with each company's universe of low telephone penetration areas, the clusters were arrayed by the percentage of Chinese, Korean and Vietnamese populations. In each cell, the top 15 clusters, i.e. those showing the highest percentage of the desired Asian group were identified.

	<u>Total</u>	<u>Chinese</u>	<u>Korean</u>	<u>Vietnamese</u>
GTE	45	15	15	15
Pacific Bell	45	15	15	15
Total block clusters	90	30	30	30

Examination of these clusters indicated that the percentages of Asian households was very low, typically under 10%. Still, these clusters, by definition, represented the HIGHEST concentrations of Asian households in the universe of low telephone penetration areas.

Anticipating that it would be hard to find Asians in these clusters, vendors were asked to first scout each cluster and start the

listings in that portion of the area that might be most likely, by observation, to yield Asian households. For efficiency, they were instructed to list only Asian households. When they had completed listing 20 Asian households, they were instructed to report back to Field Research as to how many Asian non customers they had found and how many they had been able to interview.

Results

As noted above, the interviewers listed only Asian households. They kept no formal records of the total number of households visited in order to find Asian households; however, most of them were able to provide some rough estimate of the number of households visited. Field Research used these estimates to arrive at an overall estimate of the number of households visited in this attempt to find Asian households. (See Table A.1, page 130.)

As shown in Table A.1 (page 130), vendors typically had to go to more than 100 households in order to find 20 Asian households, i.e. the initial goal for each cluster. Some went to several hundred households in all and still could not find 20 Asian households. In only a few instances, e.g. San Francisco Chinatown, did they find it relatively easy to find Asian households.

This leads to the second finding: These particular Asian populations are not easily identified at the "block cluster" (i.e. 6 to 8 city blocks) level. However, finding Asian households was only part of the problem. As described below, the main difficulty was in finding Asian non-customers.

Telephone Penetration Rate among Asian Households

The difficulty locating Asian households could have been overcome with a larger effort. The more difficult problem was finding Asian households without telephone service.

As shown in Table A.1 (page 130), a total of 1,370 Asian households were found in the enumeration effort. This yielded only 12 non-customers, 8 of whom were interviewed.

Thus, 99% of the Asian households contacted in areas known to have less than 90% telephone penetration overall, have telephone service.

Other Evidence

As the situation became more apparent, Field Research commissioned one of the Asian vendors to go to San Francisco Chinatown and try to identify blocks/buildings where Chinese non-customers might be found. The report of this vendor is included at the end of this section for reference as Table A.2. Essentially, the vendor listed 15 multiple housing units (apartment buildings, hotels) and talked to the managers to get some estimates of (a) the number of Asian resident households and (b) how many of those do not have telephone service. This effort indicated that there are buildings in Chinatown in which high percentages of the Chinese residents do not have telephone service according to building manager/owner testimony. However, when the vendor went into these buildings, only 8 non-customers could be identified (from 66 identified by the various managers) and NONE of these non-customers were willing to grant the interview despite every effort on the part of the Chinese interviewers, e.g. endorsement letters from Asian community leaders, local Chinese interviewers' familiarity with the area.

In a further effort to find Asian non-customers, Field Research asked the interviewers to ask, at each Asian household, whether the respondent (customer) knew of any Asian families that do NOT have telephone service. This failed to yield any Asian non-customers -- to the contrary, Asian customers typically said that "all" of the Asians they know have telephone service.

Recommendation

On the basis of this effort, Field Research recommended to GTE, Pacific Bell and the DRA that efforts to find Asian non-customers by this method should be halted. (By this time, most of the 90 Asian clusters had been worked to some degree, and a total of 1,283 Asian households had been contacted, yielding only 12 Asian non-customers.)

Field Research also recommended that the data gathered from this extensive effort be put into the report to serve as the basis for the following conclusions about telephone penetration rates among Chinese, Korean and Vietnamese populations.

Conclusions

Cross-section samples of 357 Chinese, 639 Korean and 374 Vietnamese households in areas known to have low telephone penetration rates indicate (a) these three Asian groups have high telephone penetration rates and, (b) because these are low telephone penetration areas (less than 90% of the total households in the area have telephone service) they have higher telephone penetration rates than others in the area.

The additional efforts made by some vendors to find non-customers using non-projectable techniques (see Table A.2) show that there may be small concentrations of these three Asian groups, i.e. certain "pockets", where there is low telephone penetration.

however, these were not identifiable except through what would have been a prohibitively expensive process using systematic sampling techniques. Also, by definition, Asians in these small pockets represent only a small percentage of all Asian households.

Finally, it should be noted that Field Research was able to find Hispanic, Black and White non-customers using this approach. This, in itself, provides further evidence that (if one considers the total population in each case) non-telephone service is much more prevalent among Hispanic, Black and White populations than among these three Asian populations.

In this connection, it should be further noted that, prior to this study, non-telephone penetration among these three Asian populations was not specifically identified as existing only in small pockets of these Asian groups; to the contrary, it was presented as a cultural, educational and socio-economic related issue affecting these Asian populations in much the same way (though possibly for different reasons) as it affects Hispanics, Blacks and other minorities. That the study has shown that this is not the case is a major finding that would have not been possible to document without this effort.

**Table A.1
Asian Augment Final Results**

	TOTAL					PACIFIC BELL					GTE				
	Total	Chinese	Korean	Viet- namese	Dupli- cate blocks (a,b)	Total	Chinese	Korean	Viet- namese	Dupli- cate blocks (a,b)	Total	Chinese	Korean	Viet- namese	Dupli- cate block (a,b)
Total clusters drawn	90	30	30	30	(32)	45	15	15	15	(10)	45	15	15	15	(22)
Clusters worked	77	23	28	28	(25)	44	15	15	14	(10)	33	8	13	12	(15)
Households visited (approximated)	13,303	1,800	8,040	3,378	2,284(a)	8,078	1,150	3,410	888	830(a)	7,227	450	2,830	2,493	1,854(b)
Percent of households which are Asian (approximate)	10.3%	(b)	(b)	(b)		18.7%	(b)	(b)	(b)		3.2%	(b)	(b)	(b)	
Asian households	1,370	357	839	374		1,137	310	688	258		234	47	71	116	
Customer	1,350	348	832	372		1,118	299	683	257		231	47	89	115	
Total Non-Customers	12	9	1	2		12	9	1	1		1	0	0	1	
Non-Customers interviewed	8	5	1	2		8	5	1	1		1	0	0	1	
Couldn't determine if have phone	8	2	8	0		8	2	4	0		2	0	2	0	
Percent Non-Customers among Asian households	0.9%	2.5%	0.2%	0.5%		1.1%	2.9%	0.2%	0.4%		0.4%	0%	0%	0.9%	

- (a) Blocks that were included in more than one Asian Sample. In those blocks, interviewers maintained separate listing sheets for each Asian group. The number of Asian households enumerated in these "duplicate blocks" is shown under the appropriate Asian group.
- (b) Unable to determine proportion of these households by specific Asian ethnicity among all households visited due to block clusters which included more than one Asian group. For example, certain block clusters were selected twice (e.g., once as a Chinese Augment block and once as a Vietnamese Augment block). In these blocks, the interviewer contacted enough households to list a goal of 20 Chinese and 20 Vietnamese households ("Asian Households"). The interviewer may have contacted a total of 100 households in order to yield the 20 Chinese and 20 Vietnamese listings. If, for purposes of this analysis, we split the 100 listings equally, (i.e., assume the interviewer had to visit 50 households to list 20 Chinese and 50 households to list 20 Vietnamese), the proportion of Asian households in these "duplicate blocks" would be overstated.

Table A.2
Identification of Non-Customers in
San Francisco Chinatown

	Street Address	# rooms	% Chinese	# no phone
1.	116 Waverly	09	100%	3
2.	124 ""	32	100%	5
3.	143 ""	04	100%	2
4.	700 Commercial	03	100%	1
5.	775 1/2 ""	06	100%	2
6.	761 ""	05	100%	2
7.	743 ""	06	100%	3
8.	736 ""	03	100%	1
9.	10 Brooklyn	09	100%	4
10.	49 Spofford	44	100%	4
11.	48 1/2 ""	8	100%	2
12.	26 ""	6	100%	3
13.	24 Wentworth	21	100%	6
14.	4 Beckett	10	100%	5
15.	795 Pacific	80	100%	23
	Total	246	100%	66

APPENDIX A
Survey Method

Survey Method: Non-Customer and Customer Surveys

Overview

In response to an Ordering Paragraph from the California Public Utilities Commission, GTE and Pacific Bell commissioned Field Research Corporation to conduct a study on the affordability of telephone service.

The objectives of the research, stated broadly were:

1. To determine the reasons for having and not having telephone service including such things as the role of price, knowledge/awareness of services and their costs, perceived need for telephone service, past experiences with telephone service/telephone companies, and a number of other factors that could act as deterrents to having phone service.
2. To explore perceptions of the affordability of telephone service including such things as: knowledge/understanding of prices, perceived affordability based on perceptions of cost, awareness of availability of Universal Lifeline Telephone Service, perceived affordability of that service, and interest in having that service.
3. To provide a means by which telephone penetration rates, particularly among certain identified minorities of interest, could be monitored over time.

Given this broad framework, Field Research Corporation recommended two studies be conducted:

1. A survey among non-customers (Non-Customer Survey)
2. A survey among various groups of customers (Customer Survey)

The findings from these surveys are reported in three volumes:

- Volume 1: Survey among Non-Customers to Explore Perceived Affordability of Telephone Service and Reasons for Not Having Telephone Service
- Volume 2: Survey among Customers to Explore Perceived Affordability of Telephone Service among Key Groups of Customers
- Volume 3: Affordability Study: Technical Appendix

For convenience, each volume includes this detailed description of the survey method for both the Non-Customer and Customer Surveys.

The survey method is divided into several sections:

- A. Background and Questionnaire Development
- B. Non-Customer Survey Method
- C. Customer Survey Method
- D. Reliability of the Findings

A. Background and Questionnaire Development

In 1992, the California Public Utilities Commission (CPUC) issued an Ordering Paragraph as follows:

"Pacific Bell and GTE-C shall, in conjunction with DRA, conduct a study of telephone service affordability and allow DRA to participate if it so desires."

According to GTE and Pacific Bell, during 1992, two separate committees were formed to develop the informational needs and research objectives for this study: (1) The Affordability Study Workshop Team -- from within GTE and Pacific Bell and composed of representatives from Marketing, Marketing Research, Regulatory, Quality Management, External Affairs and the Legal Group. (The Legal Group is, in part, responsible for compliance to the ordering paragraph.) (2) The Affordability Study Forum -- made up of representatives from various consumer and community advocacy groups, CPUC, and Pacific Bell and GTE representatives.

Following extensive working sessions with both committees, the objectives were defined and a Request for Proposal was issued. Field Research Corporation was selected to conduct the research.

Questionnaire Development

Using the objectives set forth in the RFP, a preliminary draft of the Non-Customer questionnaires was developed and submitted to GTE and Pacific Bell for review and comment.