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4911 Ruatan St.
College Park, MD 20740
June 20, 2003

Michael K. Powell, Chairman
Federal Communications Commission
445 12th St., SW
Washington, D.C. 20554

Dear Chairman Powell:

This letter is not related to the recent decision by the FCC Commission to loosen media ownership rules, but I confess that the unresponsiveness of the FCC to the public's concern in that matter makes me doubtful that my own concerns will be taken very seriously. I hope I am wrong.

I almost had an embolism on the phone today after one more experience of feeling completely ripped off and gouged by a phone company. I think the FCC has done a terrible, terrible job regulating this industry and safeguarding consumers against the rampant greed pervading it. I understand the concept that no one is forced to buy something she finds over-priced, but no one would maintain in this day and age that telephone service is not a necessity of modern life. It's astonishing to me that the FCC allows the industry to charge rates for services that are many, many, many times over the cost of providing those services.

(1) No phone plan is available for those people – admittedly not a majority of the population – who do not use the phone often, who nevertheless should have 911 access, and who would choose, if given the opportunity, to economize by paying on a per-call basis instead of a flat minimum rate based on many more calls than they want to make. For example, during a recent month, for the privilege of having a phone in the house and making a total of 9 local calls, I paid \$18.49, averaging about \$2 a phone call. The plan (the cheapest available) allows me to make 65 calls a month. I don't want to make 65 phone calls a month. I don't want to make anywhere near that number. My electric bills are often lower than my local telephone bills (I at least have the option of saving money by reducing consumption). It strikes me as absurd that I pay more for a few phone calls each month than I do for the electricity I use everyday to run appliances and keep lights on in the house. Those who want to use their phones a lot have the opportunity to do so. Those who want to economize should have the opportunity to do so as well. Why doesn't the FCC require phone companies to offer a plan truly tailored for those who make few phone calls?

Michael K. Powell, Chairman

June 20, 2003

Page 2

(2) A year ago, I was charged around \$700 for 5 hours of calls overseas – as much as \$3.83 a minute during some periods. I offered to pay 22 cents a minute, but refused to pay more for that as the company (Sprint) had not posted its international rates on its website and I had no reason to believe that they would be as much as *1700 percent higher* than can be obtained elsewhere. I asked Sprint to make a good faith effort to avoid surprising others so unpleasantly in the future by posting these rates clearly and boldly on their webpage, but they refused to do so. A company that refuses to post its rates does so because it knows that many if not most potential consumers would consider them too expensive and take their business elsewhere. Given that satellite technology is not new and is very affordable elsewhere (e.g., calling card companies, which regrettably I was unaware of at the time), it's incomprehensible that the FCC allows companies like Sprint to price-gouge – there is no other word for it – unwitting customers like this. Full and upfront disclosure about things that would concern a reasonable person should be a basic requirement of the industry.

(3) A month or two ago I received a phone bill that included a charge of over \$22 for one 6-minute and one 4-minute collect call. No operator was involved. A friend had arrived at the airport in Detroit and called to tell me his connecting flight was delayed; he called a second time to inform me of his new arrival time. People are often stuck at airports against their will. The cost to AT&T of putting through a computerized collect call is almost nothing. But to take advantage of people in circumstances beyond their control who need to make a simple courtesy call – yep, that shows real class. Why aren't phone companies required to state in a recording the fees and rates of collect calls before the calls are actually made? Or at least before they are accepted? The two calls together would easily have cost 50 cents or so under a variety of domestic long-distance plans. The consumer understands that collect calls cost more, but over *\$20 more, for 10 minutes* ?!! Give me a break !! The bottom line is that I would never have accepted these collect calls or made the overseas calls mentioned earlier if I had had any idea how obscenely expensive those services were. People expect to get what they pay for. I challenge anyone to come up with the numbers that show that 10 minutes' worth of long-distance from Detroit to Washington is indeed worth \$22. I challenge anyone to say with a straight face that 5 hours' worth of calls to France is worth more than it would have cost to actually fly there and back, have a couple of nice dinners, and have change left over for coffee and a croissant. Again, why the reluctance of companies like AT&T and Sprint to state their rates clearly and upfront if they have nothing to hide – or to be ashamed of?

(4) Given the preceding complaints, it should come as no surprise that I have attempted to communicate those raised in (2) and (3) to the companies involved. I think my objection to Sprint's exorbitant rates is reasonable, and I think my anger at being charged \$22 by AT&T for two short collect calls is reasonable. However, the circle of people to whom a person can complain at both companies is limited to low-level employees who not only cannot renegotiate bills but, more important, cannot consider whether the company's policies and rates are indeed unfair and, if so, do something about

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June 20, 2003

Page 3

them. The answer I was given over and over again is that "We're sorry, but those are our rates, you did speak for X minutes, so there's nothing we can do." There seems to be no one at any of these companies, in other words, who seems to understand that one can agree with the facts and yet find the policy unfair.

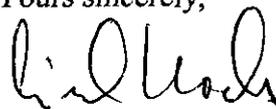
My near-embolism experience today occurred during a phone call to my "Customer Care Representative" *chez* AT&T. After having my complaint summarily dismissed in a form letter that didn't even mention what my complaint was about, I was invited to call my Customer Care Representative at 1-800-222-0300 should I have "any additional questions." Trouble is, my Customer Care Representative is a machine. And a machine that doesn't seem to understand that not everyone calling has an informational question where no decision making is required. The people who *do* have the power to change rates after reviewing complaints and evaluating the fairness of current policies are hidden away behind iron fortresses, impenetrable to the public. If you don't believe me, just try calling one of Sprint's public lines and – if you are lucky enough to make human contact – ask for the address of Sprint's headquarters. You'd think that its executive officers were in the witness protection plan, given the shroud of secrecy surrounding their actual place of business.

Anyway, I'm afraid I was rude to the two people I talked to at AT&T, once I was *finally* able to outsmart my Customer Care Representative – who just so happens to be the most idiotic and insulting recording ever to be unleashed on mankind. I felt bad afterwards, but not that bad. For a company to use technology to create a barrier between itself and its customers, to be so contemptuous of their customers' right to a fair review of matters under dispute, to discourage them from pursuing a reasonable complaint – this kind of behavior only invites the kind of exasperation, if not outrage, that I'm sure many others as well have felt toward the telephone industry.

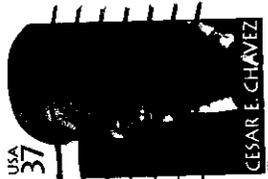
I would appreciate learning the FCC's position on the key issues I've raised. Not just its official policy, but the reason for such a policy. Perhaps there's a good reason these companies are allowed to charge high-tech prices for pretty low-tech technology, and I'm simply unaware of it.

Thanking you in advance for your consideration.

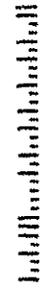
Yours sincerely,



Liesl Koch



Mr. Michael K. Powell, Chair
 Federal Communications Commission
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