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January 26, 2011

Chairman Julius Genachowski
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: CG Docket No. 09-158 (Truth in Billing)
CC Docket No. 98-170 (Truth in Billing)
CG Docket No. 10-207 (Bill Shock)

Dear Chairman Genachowski:

Consumers Union today sent letters to the CEOs of Verizon Wireless and AT&T Wireless regarding recent changes to the plans they offer consumers. To ensure that consumers understand their new bills and plans and are not surprised by any unexpected charges, we urged both companies to conspicuously notify existing and new consumers of the plans and their implications, as well as any overage charges that may occur.

AT&T Wireless has dramatically changed its options for messaging plans. AT&T customers once had the option of purchasing a monthly messaging plan for \$5 for 200 text messages. However, this option is now being eliminated, and minimal users of text messages now only have an option for the new plan at 1000 messages for twice the amount. AT&T Wireless also eliminated its 1500 message plan for \$15 and is offering instead an unlimited plan for individuals for \$20. The overage charges for the former plans were 10 cents per message for the 200 message plan and 5 cents per message for the 1500 message plan. Now, the 1000 message plan has overage charges of 10 cents per message.

Despite these considerable changes, it is unclear whether AT&T Wireless will allow current consumers with the 200 or 1500 plans to continue on those plans, or if those consumers will need to change to either 1000 messages or unlimited messages when their contract is up for renewal.

AT&T Wireless also eliminated part of its upgrade discount program, which allowed its customers to upgrade their phone after two years and receive a discount of \$50 or \$100 off of the subsidized phone price. New customers no longer have this option and current customers' ability to use this option is now limited, since they only have until July 23, 2011 to exercise this upgrade discount.

Verizon Wireless has also discontinued its discounted upgrade plan, New Every Two. Under the New Every Two plan, customers that were renewing their contracts received an additional discount on top of the subsidized price of the phone they purchased. Now, current customers can

only redeem the New Every Two benefit one more time, and they will not be eligible for it after that.

These changes are significant and consumers should be made aware of these changes and their implications to their pocketbooks. The Commission currently has pending proceedings that would require carriers to provide greater transparency in, and disclosure of, business practices such as phone plans and terms of service. The Commission has also recommended that providers notify customers before they incur any overage charges. We urge the Commission to swiftly resolve the Truth in Billing and Bill Shock proceedings so that all carriers would be required to appropriately notify consumers of rates, terms of service, overage charges and other relevant information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Parul P. Desai".

Parul P. Desai
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