For Your Information

T-8

ANSWERING QUESTIONS ABOUT OPERATOR SERVICE (AND INMATE SERVICE) PROVIDERS

Have you made a local or long-distance call from a hotel or pay phone using an operator and charged that call to a home or business number? If so, you later saw the charges for that call appear on your home or business phone bill, perhaps under the listing of a company name you didn't recognize. And, perhaps the charges were higher than you expected.

If this sounds familiar, chances are that your call was placed by an "Operator Service Provider," or OSP. Many hotels, hospitals, shopping centers, airports, correctional facilities, colleges and universities contract with OSPs. And, many of the private pay phones you see in public places are serviced by alternative operator companies rather than by the operator services of your local phone company.

After reading this information, you will know more about the rules that apply to operator service providers, and what steps you can take as a consumer to minimize any surprises on your phone bill.

BASIC INFORMATION

For many years, all operator services in Colorado were deregulated. Effective June 30, 1992, however, the Colorado Public Utilities Commission (PUC) adopted rules regulating certain services provided by all operator service companies. The rules apply only to intrastate operator-assisted calls made within Colorado. The Federal Communications Commission (FCC) has authority over operator service companies for calls made from one state to another, but does not set their rates other than to establish a ceiling for prices.

All companies legally providing regulated operator services in Colorado must have permission from the PUC to conduct business in the state and may only charge rates at or below benchmarks approved by the Commission.

INMATE SERVICE PROVIDERS

Inmate service providers are a special type of operator services provider. As the name suggests, inmate services companies provide the telephone and operator services to local, state or federal correctional facilities. Inmate service providers are **not** regulated by the PUC. These companies contract directly with the correctional facilities and set their own rates, terms and conditions for

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service. The PUC cannot assist with complaints about how rates are determined, restrictions on telephone use, method of payment, etc., at correctional facilities.

WHAT TYPES OF OPERATOR SERVICES ARE REGULATED?

In Colorado, the PUC regulates what are called "non-optional" operator services. Examples of non-optional operator service calls include:

- Credit card calls. Credit card or calling card calls made by dialing 800/888, 950 or 10XXX or 1010XXX access;
- Collect calls. Reversing the charges to the number being called;
- Local or long distance third-number billed calls. Charging a call to a third number or party;
- **Person-to-person calls.** Using an operator to connect with a specific individual;
- **Emergency calls**. Using an operator to place a call to a law enforcement or other emergency agency;
- Calls by people with disabilities. Calls made by individuals who identify themselves as disabled to the extent that they are unable to complete a call without operator assistance.

In addition to inmate services, operator services that are **NOT** regulated include:

- Directory assistance;
- Foreign language operator services;
- Operator-assisted audio or video conference calling;
- Operator-assisted voice messaging or electronic mailing.
- Debit-card calls;
- Travel card services.

OTHER REQUIREMENTS FOR OPERATOR SERVICE PROVIDERS

The PUC establishes benchmarks (or ceilings) for regulated operator services rates. It also imposes a number of other requirements on operator service providers through a series of formal rules that carry the force of law. The rules require that the operator service provider identify itself at the beginning of a call before any charges have been incurred, and also a second time prior to connecting the call. The operator must disclose immediately upon request the rates or charges for the customer's intended call, and allow the customer to terminate the call at no charge before it is connected.

Hotels, motels, pay phone owners and other call aggregators (any person or business that uses a specific provider for operator services) must display signs near their telephones that identify the operator service provider. The service must tell callers they have the right to use their preferred long distance carrier, and the operator must connect them to their choice of carrier.

PRIVATE PAY PHONES

The PUC is precluded by the federal and state government from the regulation of private, or customer-owned, pay phones. Although the non-optional operator services connected with these phones are regulated, the PUC has no control over charges for making a local call, time limits, or other restrictions.

HOW TO AVOID SURPRISES ON YOUR PHONE BILL

If you are traveling and need to make calls from a pay phone or a motel, there are steps you can take to prevent excessive calling charges:

- Use calling cards for known companies and rates.
- Carry your long-distance access code with you and use it when making a long-distance call.
- Listen for the name of your long-distance company after you dial. If your company name is not announced, hang up and try again, possibly from another telephone.
- Insist that the operator switch you to the long-distance company of your choice.
- Ask what the charges will be before you make the call.

If you have problems or complaints about operator service companies, contact the PUC's Consumer Affairs section.