

**PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA**

NEWS RELEASE

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Commissioners Wefald, Clark, and Cramer

For Immediate Release*

Phone 701-328-2400

In-state calling card calls could be more costly

The Public Service Commission wants consumers to be aware of a new FCC ruling that could make in-state calls more costly when made with certain prepaid calling cards.

The FCC recently ordered that intrastate access charges and contributions to the Universal Service Fund apply to types of calling cards that were once exempt from those charges. An access charge is what long distance providers pay to local telephone service providers for use of the local network to complete long distance calls. The Universal Service Fund provides funding to improve telecommunications services nationwide and to help provide access to people with low incomes or who live in rural areas.

The types of cards affected by the order are menu-driven cards that provided other services in addition to phone calls. Those types of cards were previously exempt from the fees because they weren't classified as telecommunications services.

The PSC has recently received calls from consumers whose calling cards are being deducted 8 minutes for each one minute of use for calls originating and ending in North Dakota. The eight-to-one deduction is a way for companies to offset the increased costs associated with the FCC ruling.

"What this means is that an 800-minute calling card would only have 100 minutes of use if all of the calls originated and ended in North Dakota," said Commissioner Susan Wefald, who holds the consumer affairs portfolio for the commission.

Wefald urges people to read the fine print on their cards before they buy them and to listen carefully to recordings when they are about to recharge their cards. In some cases, consumers became aware of the changes when they tried to recharge cards they purchased before the ruling went into effect.

A recording should alert consumers of the changes before they decide to recharge the card. If people believe they weren't properly notified of the changes before purchasing additional minutes, they can contact the PSC for help.

Commissioner Tony Clark, who holds the telecommunications portfolio for the PSC, said consumers are urged to call the PSC for help in understanding the change.

“Consumers may not understand why their calling card minutes are deducted on a one-to-one basis for interstate calls, but not for intrastate calls,” Clark said. “We want consumers to be as well informed as possible so they know what they are buying.”

Commissioner Kevin Cramer’s advice to consumers is to shop around and compare prices and fine print on prepaid calling cards.

“With so many calling cards on the market it can be hard to decide which one to buy, especially since they each have their own set of terms and conditions,” Cramer said. “Consumers need to be vigilant when making their purchases.”

For more information, contact the PSC at 328-2400.

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