

# TelesState

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**News** From the Illinois Telecommunications Association  
**Representing** The Telecommunications Industry in Illinois

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## *Consumer Complaints Against Telecom Industry Down Again*

Consumer complaints against telecommunications companies in Illinois have declined for the fourth year in a row according to the 2005 annual report of the Illinois Commerce Commission Consumer Services Division. From a high of 18,867 inquiries and complaints in 2001, the number has dropped to 7,012 in 2005, a 63% decline.

"The number of consumer complaints against the telecommunications industry has been steadily declining each year since 2001, which is a testament to the industry's dedication and commitment to consumer service," said Doug Dougherty, president of the Illinois Telecommunications Association. "Illinois' telecommunications providers are offering high quality services and a wide array of options to Illinois consumers. The increase in consumer satisfaction is proof that we're doing a good job."

Of the 26,169 total inquiries and complaints the ICC received in 2005, 67% dealt with energy, 27% with telecommunications, 4% with water and sewer and 2% were miscellaneous.

As the overall number of complaints has declined, so too has the number of justified complaints. The percentage of justified complaints against telecommunications companies declined from 18% in 2004 to 17% in 2005. Another indicator of the telecommunications industry's commitment to consumer satisfaction is the quick response from the companies when an inquiry or complaint is made. For local exchange carriers and local toll carriers combined, the average response time was reduced by a total of almost 31 days, with an average response time reduction for each carrier of 2.5 days.

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## *New Security Policy Law to be Topic of Workshop*

The Illinois Telecommunications Association is hosting a workshop to help telecommunications carriers with implementation of new security policy practices that are required by a new state law (Public Act 94-735). The workshop will be September 14 in conjunction with the Fall Vendors' Showcase in Decatur.

Following the terrorist attacks of September 11, 2001, state and federal policymakers have reviewed and enhanced strategies and plans for protecting integral community functions, such as electricity production and communications. This past spring, the General Assembly approved, and the Governor has signed, a measure that would broaden the powers and responsibilities of the Illinois Commerce Commission with regard to oversight of the security policies and implementation plans at electric and telecommunications facilities in Illinois.

"Because communication is a critical function, particularly during times of crisis, the General Assembly wanted to broaden the ICC's oversight of telecommunications carriers' plans for protecting facilities and responding to crisis," said Doug Dougherty, president of the Illinois Telecommunications Association. "Because we didn't want the law to mandate one standard approach for carriers, regardless of their size, we agreed to help facilitate the development of specific security policies and plans that suit individual companies' unique needs. This workshop is one way in which we hope to accomplish that objective."

The workshop will include presentations from the Illinois Commerce Commission and from the Illinois Emergency Management Association. The ITA is taking registrations for the workshop.

# *Harrisonville Telephone Company Named 'Member Company of the Year'*

At its 101st annual convention, the Illinois Telecommunications Association (ITA) honored Harrisonville Telephone Company (HTC) with its highest award -- Member Company of the Year.

"HTC has provided years of service to its customers and the communities it serves, and works to stay on the leading edge of the latest technologies," said Doug Dougherty, president of the ITA. "This company represents the best of the industry, and we are proud to recognize their contributions."

HTC is enjoying its 110<sup>th</sup> year of service to the citizens of Monroe County and parts of Randolph and St. Clair Counties in southwestern Illinois. With corporate headquarters located in Waterloo, Illinois and serving over 20,000 customers, HTC has over 130 employees, most of whom live in the Company's service area allowing customers to interact with local people.

Over the years, HTC has taken great pride in delivering high-quality, state-of-the-art communications service to its customer base, introducing Internet service in 1996 and being one of the first companies nationwide to deploy broadband DSL service in 1997. Currently, through a combination of DSL, high-speed wireless Internet and WildBlue satellite Internet, HTC can provide high-speed broadband service to 99% of its customer base throughout the HTC service area. In addition, the Company provides high-speed wireless Internet service to seven communities outside its traditional serving area and has provided DIRECTV satellite service to the surrounding areas since 1994, providing its customer base with the opportunity to utilize HTC voice, data, and video services.

In 2001, through its affiliation with Telispire, HTC began offering private label cellular service utilizing two of the largest nationwide networks in the United States to customers residing in southwestern Illinois and the St. Louis Metropolitan area. Most recently, the Company has begun deploying Fiber to the Home technology (FTTH), branded HTC FiberNet, and has committed to actively pursue the deployment of this state-of-the-art technology to new developments.

In addition to its corporate office in Waterloo, the Company has satellite customer service and retail locations in Columbia and Waterloo; all being full service stores providing customer service and the sale of all Company products and services with expanded hours for the convenience of its customers.

HTC is proud to be part of the communities it has served for over 110 years and continues to support local organizations with an emphasis on education. Annually, the Company provides scholarships to a graduating senior from each of the six high schools in its serving territory to attend Southwestern Illinois College (SWIC) located in Belleville, Illinois, as well as an annual four-year scholarship to Southern Illinois University in Carbondale to a senior from one of the high schools in its serving area.

The Company was instrumental in bringing the YMCA – HTC Center to Monroe County and has received recognition for its civic leadership role throughout its area.

## President's Letter

This newsletter contains stories about government reports on consumer satisfaction with telecommunications carriers, about a new law requiring carriers to develop and implement security policies, about government interest in extending the reach of broadband internet access, about our industry partnering with the public sector to reach out to low-income families to help them obtain and keep local phone service, and about one of our own – Harrisonville Telephone Company – that has built a successful business by responding to consumer needs and wants and by partnering with social and governmental organizations in their area to help everyone prosper.

Clearly, the relationship between government, the telecommunications industry and the consumers we all serve is complicated and comprehensive. We are always striving for a constructive balance between government regulation that keeps the industry "in check" and government incentives to encourage economic growth and vitality. As we work to strike this balance, we need to remind policymakers and opinion leaders that the manner in which Illinois regulates us affects how well we *and the consumers we serve* can compete in a global economy.

I want to encourage leaders in the telecommunications industry to reach out to elected officials at all levels of government to educate them about the local economic impact of too much regulation. An ongoing dialogue that focuses on the real-world impact of governmental decisions is crucial to the success of our industry, to the satisfaction of consumer demands and to the protection of consumers. We all need to play a role.

**Doug Dougherty**

## UTAC Partners with Chicago Schools on Outreach Effort

As Chicago families register their children for the 2006-2007 school year, they are receiving information about reduced cost basic local phone service available to qualified low-income individuals, including those with children who are part of the National Free School Lunch Program. Through a partnership between the Universal Telephone Assistance Corporation (UTAC) and the Chicago Public Schools, more qualifying families will discover this year the benefits available to them through Link-Up, Lifeline and the Universal Telephone Service Assistance Program (UTSAP).

UTAC, which oversees the financial assistance programs to help low-income households obtain and maintain basic local phone service, is a not-for-profit corporation of which all local exchange carriers are members. UTAC is governed by a board of consumer advocates and phone company representatives.

"Over the past several years, we have successfully informed qualifying populations about the availability of this lower cost phone service by marketing directly through the other government programs in which these people participate," said Allen Cherry, president of the UTAC Board and a representative of the South Austin Coalition Community Council.

Since the inception of UTAC, the eligibility criteria for the telephone assistance programs has extended to individuals who participate in one or more of the following government programs: Food Stamps, Medicaid, Supplemental Security Income (SSI), Low Income Home Energy Assistance Program (LIHEAP) and federal public housing. In 2005, two additional programs were added: Free National School Lunch Program and Temporary Assistance to Needy Families (TANF).

"In 2005, the eligibility guidelines for the phone assistance programs changed, and individuals with children who receive free school lunches were added to the eligible list," Cherry said. "We did some general outreach in 2005 and again in 2006 to inform people of that change, but this fall, we are taking it a step further in working with the Chicago schools to directly reach those who would qualify. We're hopeful that more families who are eligible will sign up as a result."

This initiative came out of the Enhanced Enrollment Working Group convened by the Governor's Office.

Link-Up and Lifeline are federally-funded programs that help offset the cost of installation and maintenance of basic local phone service for qualifying low-income households. UTSAP is an Illinois-specific program under which UTAC raises voluntary contributions from Illinois citizens and businesses to help offset the cost of phone installation for low-income households.

## ITA Presents Annual Awards

At the 101<sup>st</sup> annual convention of the Illinois Telecommunications Association, the following companies and individuals were recognized for their outstanding efforts on behalf of the telecommunications industry and the customers they serve.

**Harrisonville Telephone Company** – Member Company of the Year

**Lincoln Trail Community College** – Associate Member of the Year

**David Rudd** of Gallatin River Communications – Committee Chairperson of the Year

Congratulations to all!

# North Chicago, AT&T Agreement Delivers Next Generation Video, Broadband

Consumers will benefit from an improved communications network, new broadband technology and a new choice for video service when AT&T completes its infrastructure upgrade in that community in the second quarter of 2007. This upgrade in technology is possible through a first-of-its-kind agreement between North Chicago and AT&T.

"Mayor Rockingham and the City Council have clearly demonstrated their commitment to attracting new investment, economic development and consumer benefits to North Chicago," said Cathy Coughlin, president and CEO of AT&T Midwest. "The mayor and the City Council's actions promise more choices, new services and competitive prices for local consumers."

AT&T is investing in North Chicago to upgrade its communications network to provide Internet Protocol-based video services called AT&T U-verse TV, high-speed Internet access and, in the future, Voice over IP. This initiative will push fiber optics further into neighborhoods and provide an additional choice for video and entertainment to local consumers.

Several consumer groups representing senior citizens, minorities and pro-technology consumers are praising this deal, which improves the communications infrastructure for all consumers in North Chicago and opens competition for the first time with cable providers for video services.

"We applaud Mayor Rockingham and the City Council for their willingness to side with consumers over the cable industry's monopolistic self-interests," said Reverend James Demus III, co-director of the Ministerial Alliance Against the Digital Divide. "The passage of this ordinance proves the fallacy of the cable industry's claims that 'redlining' of minority communities will occur if competition is allowed to enter local markets. North Chicago has a large minority population; yet this city will be one of the first in Illinois to enjoy competition in the video market – ahead of some of the most affluent communities in the state."

The agreement that was reached with North Chicago acknowledges the benefits of delivering IP-based video and voice services to residents and the positive impact that these new technologies will have as they boost local economic development efforts.

"We welcome AT&T's investment in North Chicago," said Mayor Leon Rockingham Jr. "This upgraded telecommunications network not only provides cutting-edge technology, but also job opportunities for our residents and we are proud to be the first community in Illinois to partner with AT&T on Project Lightspeed."

Sandi Johnson, executive director of the North Shore Senior Center, said: "This bold move will be a boon to senior citizens in North Chicago because increased competition will foster dramatic rate reductions in an industry where the trend has been one of consistent rate increases, year after year. With cable rates going through the roof, local seniors can't wait much longer."

AT&T plans to invest about \$4.6 billion in its Project Lightspeed initiative to deliver the next generation of broadband and video services to nearly 19 million homes throughout its traditional 13-state residential service territory by year-end 2008. The company recently announced, as part of this initial deployment, that it will make these services available to more than 5.5 million low-income households within the 41 Project Lightspeed markets.

## House Broadband Subcommittee to Meet

The Broadband Infrastructure Subcommittee of the House Telecommunications Committee will meet at 10 a.m. September 6 at the James R. Thompson Center, Room 16-503, 100 W. Randolph, Chicago. This will be a subject matter hearing on broadband infrastructure in Illinois.

**TeleState**

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