



Comparing Home Telephone Service to Cellular

While the vast majority of Ohioans still have traditional telephone service, many consumers are wondering how the benefits they receive compare to those of cellular service. Some consumers are questioning whether they should keep their traditional telephone service at all. The Office of the Ohio Consumers' Counsel (OCC), the residential utility consumer advocate, has produced this fact sheet to help explain how traditional local telephone service differs from cellular service.

Quick tips

- ▶ **Call Quality** - Some consumers experience occasional problems with the quality of cellular calls. Depending on a consumer's location, dropped calls and bad connections can even happen in their own home. Typically, these problems do not occur with traditional telephone service.
- ▶ **Price** - Cellular plans can be more expensive than traditional basic telephone service. With traditional service, consumers can obtain basic dial tone service without any features, while most cellular plans include features and long-distance minutes at a higher monthly rate.
- ▶ **Flexibility in the home** - Traditional service allows for several telephones to be connected to the same line. This allows, for example, a husband, wife and child to each pick up extensions throughout the home and be on the same call. Each cellular phone uses a unique telephone number, but some plans allow multiple extensions.
- ▶ **Dial-up Internet** - Many residential consumers continue to rely on their traditional telephone line for an affordable connection to the Internet. It is difficult to configure Internet dial-up to a cell phone.
- ▶ **Emergency assistance** - In many areas, dialing 9-1-1 from a cellular phone will not

automatically display a caller's location to emergency operators. Using a traditional home telephone, most emergency operators will immediately see the address from which a call has been placed.

- ▶ **Power outages** - Consumers with traditional home telephone service are usually able to use a corded telephone (which always has the handset attached to its base or the telephone jack) when a power outage occurs. Traditional telephone service includes a power supply from the local telephone company, which is required to provide at least four hours of backup power in case of an electricity outage. Cellular systems and towers are not required to provide backup power, and cell phones may not operate during a power outage.

Pricing and packages

Most customers with traditional telephone service pay a monthly charge for the ability to make unlimited local calls and to choose a provider to handle long-distance calls at a per-minute rate. Basic local calling does not typically include features like Caller ID and voice mail. These services are available at an added monthly charge or as part of a package of bundled features. Since customers generally do not have to enter a contract for these services, if competitive choices exist, they may switch to a new provider at any time and without paying a termination fee. Beyond owning a standard telephone, no additional equipment is required for basic local telephone service.

Cellular customers typically get service with a one or two-year contract, including a service plan. If a customer decides to drop the service before the contract expires, a termination or cancellation fee usually is charged. Some companies will prorate this charge.

Cellular service plans contain a bundle of minutes

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at a fixed monthly rate that are used to make or receive calls within a customer's home area. A customer's home area could be local, regional or nationwide depending on his or her plan. Additional time used to make or receive calls outside the plan's home area (known as "roaming") are billed at a per-minute rate. Some plans' monthly rate includes long-distance and/or roaming charges.

While traditional telephone customers only can use their service in and around their home or apartment, those with cell phones are able to stay connected by making and receiving calls whenever they wish and wherever they are (depending on coverage restrictions). Some consumers use their cell phone to make all or most of their long-distance calls, especially if their plan allows them to use their bundle of minutes to make regional or nationwide calls without any extra charges.

Most cellular plans include features like Caller ID, Call Waiting and access to voice mail. Each service provider has certain cell phones that are compatible with its system. If a customer switches providers, he or she may need to purchase a new phone.

Keeping your number

You have the ability to keep your current home or cell phone number if you decide to switch providers. This includes switching:

- ▶ From a traditional telephone provider to a different traditional telephone provider
- ▶ From a traditional telephone provider to a cell phone provider
- ▶ From a cell phone provider to a different cell phone provider
- ▶ From a cell phone provider to a traditional telephone provider
- ▶ From a traditional or cell phone to a VOIP provider (in most cases)

Consumer protections

While traditional local telephone companies providing service must comply with Ohio's Minimum Telephone Service Standards, cellular providers do not. These standards are enforced by state regulators and include important consumer protections, including the length of time companies may take to restore service and respond to complaints.

The choice is yours

Decisions, such as whether to continue to use a traditional telephone service or whether to begin cellular service, are personal ones. Many Ohioans continue to rely on their traditional telephone service for their local and long-distance calling needs as well as dial-up Internet access.

While traditional services remain popular, consumers increasingly use cellular phones to provide a convenient way to communicate. Some consumers have even decided to use their cellular phone for all of their calling needs. The choice is yours.

The Office of the Ohio Consumers' Counsel (OCC), the residential utility consumer advocate, represents the interests of 4.5 million households in proceedings before state and federal regulators and in the courts. The state agency also educates consumers about electric, natural gas, telephone and water issues and resolves complaints from individuals. To receive utility information, brochures, schedule a presentation or file a utility complaint, residential consumers may call 1-877-PICKOCC (1-877-742-5622) toll free in Ohio or visit the OCC Web site at www.pickocc.org.

The Office of the Ohio Consumers' Counsel is an equal opportunity employer and provider of services.

For additional information from the Office of the Ohio Consumers' Counsel:

Call: 1-877-PICKOCC (1-877-742-5622) toll free or (614) 466-8574
Write: 10 West Broad Street, 18th Floor, Columbus, Ohio 43215-3485
E-mail: occ@occ.state.oh.us • Internet Address: www.pickocc.org