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DIVISION OF RESEARCH & REGULATORY REVIEW
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(850) 413-6800

Public Service Commission

MEMORANDUM

July 15, 1998

TO: All Interested Persons

FROM: Dan Hoppe, Director, Division of Research and Regulatory Review *DMH*

SUBJECT: Special Project No. 980000A-SP - Fair and Reasonable Residential Basic Local
           Telecommunications Rates

VIA FACSIMILE

Attached is a copy of the final Affordability Survey questions which the University of
Florida's Bureau of Business and Economic Research (BEBR) will use to survey approximately
fifteen hundred respondents.

The University of Florida staff indicated that the Affordability Survey Pre-test conducted
July 10, 1998, was successful, but they offered the following comments:

- Questions >ps 5< through >ps 9< should be edited to include the words "local phone service;"
- Question >ps9< could be changed to incorporate faxing as an option;
- Question >ps 10< could be considered redundant;
- Questions >ps 26-31< and >ps 34-37< could be considered repetitive.

The survey was revised to address the concerns of the University of Florida staff. If you have
questions regarding the survey questions, you may contact Marguerite McCauley at (850) 413-6875
or Bill McNulty at (850) 413-6443.

DMH: MTM:d-affor2

cc: Mary Andrews Bane
      Division of Communications
      Division of Records and Reporting
      Division of Auditing and Financial Analysis
      Division of Legal Services

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>ps1< Including yourself, how many people live with you at your
Florida residence for at least nine months of the year?

    <1-20>
    <-8> Don't know
    <-9> Not available

    ===>

>ps2< How many of these are over the age of 65?

    <0-20>
    <-8> Don't know
    <-9> Not available

    ===>

>ps3< How many people are living with you at your Florida residence who are age 18 and under?

    <0-20>
    <-8> Don't know
    <-9> Not available

    ===>

>ps4< How many phone numbers do you have in your household? Please do not include business,
cellular, or pager numbers if you have them.

    <1-20>
    <-8> Don't know
    <-9> Not available

    ===>

>ps5< Several of the following questions address local telephone service. For our purposes, local
telephone service refers to all calls which are included in the fixed monthly amount you pay for local
calling. Now, I would like you to tell me a little bit about your local calling.

    Do you use your local phone service for social calls?

    <1> Yes
    <2> No
    <-8> Don't know
    <-9> Not available

===>

>ps6< Do you use your local phone service for shopping by phone?

<1> Yes
<2> No
<-8> Don't know
<-9> Not available

===>

>ps7< Do you use your local phone service for accessing the Internet?

<1> Yes
<2> No
<-8> Don't know
<-9> Not available

===>

>ps8< Do you use your local phone service for business calls?

<1> Yes
<2> No
<-8> Don't know
<-9> Not available

===>

>ps9< Do you use your local phone service for faxing?

<1> Yes
<2> No
<-8> Don't know
<-9> Not available

===>

>ps10< Of those uses that you've just listed, which one occurs most often?

<1> Social calls
<2> Shopping by phone
<3> Internet usage
<4> Business calls
<5> Faxing
<-8> Don't know
<-9> Not available

===>

>ps11< Can you call your local doctor or clinic without paying additional charges?

<1> Yes
<2> No
<-8> Don't know
<-9> Not available

===>

>ps12< Are you able to call your local schools without paying additional charges?

    <1> Yes
    <2> No
    <3> Do not have a reason to call schools
    <-8> Don't know
    <-9> Not available

===>

>ps13< Approximately how many local telephone calls were placed from your household yesterday without you paying additional charges?

    <0-100>
    <-8> Don't know (surveyor please prompt: 'Can you tell me approximately how many?')
                <1> 0
                <2> 1-5
                <3> 6-10
                <4> 11-15
                <5> 16-20
                <6> More than 21

    <-9> Not available

===>

>ps14< Approximately how many telephone calls were received at your household yesterday?

    <0-100>
    <-8> Don't know (surveyor please prompt: 'Can you tell me approximately how many?')
                <1> 0
                <2> 1-5
                <3> 6-10
                <4> 11-15
                <5> 16-20
                <6> More than 21

    <-9> Not available

===>

>ps15< How many homes in Florida would you like to call, but cannot, because they do not have a telephone?
    <0-15>
    <-8> Don't know
    <-9> Not available

===>

>ps16< As I read the following list of optional features, please identify which ones your household subscribes to on a monthly basis?

    Do you have call forwarding?

<1> Yes
<2> No
<-8> Don't know
<-9> Not available

===>

>ps17< Call Waiting?

<1> Yes
<2> No
<-8> Don't know
<-9> Not available

===>

>ps18< Three-Way Calling?

<1> Yes
<2> No
<-8> Don't know
<-9> Not available

===>

>ps19< Do you have an Unlisted Number?

<1> Yes
<2> No
<-8> Don't know
<-9> Not available

===>

>ps20< Voice Messaging?

<1> Yes
<2> No
<-8> Don't know
<-9> Not available

===>

>ps21< Caller ID?

<1> Yes
<2> No
<-8> Don't know
<-9> Not available
===>

>ps22< Is there another feature you have which I have not mentioned that you subscribe to?

<1> Yes [specify]

<2> No
<-8> Don't know
<-9> Not available

===>

>ps23< Do you receive separate bills from your local and long distance telephone companies?

<1> Yes [specify]
<2> No
<-8> Don't know
<-9> Not available

===>

>ps2< Next I would like you to estimate how much you paid last month to your local and long distance telephone companies combined. Do not include wireless or cellular service in your estimate.

<0-1000>
    <-8> Don't know (surveyor please prompt: 'Please stop me when I get to the range that best describes what you paid for telephone service.')
                    <1> 0-9.99
                    <2> 10-19.99
                    <3> 20-29.99
                    <4> 30-39.99
                    <5> 40-49.99
                    <6> 50-59.99
                    <7> 60 and above
    <-9> Not available

===>

>ps25< Now I would like you to estimate how much you paid last month for long distance telephone service.

<0-1000>
    <-8> Don't know (surveyor please prompt: 'Please stop me when I get to the range that best describes what you paid for long distance telephone service.')
                    <1> 0-4.99
                    <2> 5-9.99
                    <3> 10-19.99
                    <4> 20-29.99
                    <5> 30-39.99
                    <6> 40-49.99
                    <7> 50+
    <-9> Not available

===>

>ps26< Next, we are interested in finding out about other services you may subscribe to in your household. As I read a list of services, please let me know whether you have the service, and, if so, approximately how much you pay for the service each month.

    Cable TV service?

<1> No, don't have Cable TV [go to ps27]
<2> Under 10 dollars
<3> 10-19.99
<4> 20-29.99
<5> 30-39.99
<6> More than 40
<-8> Don't know
<-9> Not available

===>

>ps27< Satellite or Direct TV service?

<1> No, don't have Satellite or Direct TV [go to ps28]
<2> Under 10 dollars
<3> 10-19.99
<4> 20-29.99
<5> 30-39.99
<6> More than 40
<-8> Don't know
<-9> Not available

===>

>ps28< Internet service?

<1> No, don't have Internet service. [go to ps29]
<2> Under 10 dollars
<3> 10-19.99
<4> 20-29.99
<5> 30-39.99
<6> More than 40
<-8> Don't know
<-9> Not available

===>

>ps29< Security alarm service?

<1> No, don't have security alarm service [go to ps30]
<2> Under 10 dollars
<2> 10-19.99
<3> 20-29.99
<4> 30-39.99
<5> More than 40
<-8> Don't know
<-9> Not available

===>

>ps30< Cellular telephone service?

<1> No, don't have Cellular telephone [go to ps31]

```
<2>  Under 10 dollars
 <2> 10-19.99
 <3> 20-29.99
 <4> 30-39.99
 <5> More than 40
<-8> Don't know
<-9> Not available

    ===>
```

>ps31< Pager or beeper service?

```
<1>   No, don't have Pager or beeper [go to p32]
<2>   Under 10 dollars
<2>  10-19.99
<3>  20-29.99
<4>  30-39.99
<5>  More than 40
 -8> Don't know
<-9> Not available

    ===>
```

>ps32< How much did you pay for last month's electric service?
[Interviewer: Please ask respondent to estimate the electric portion if total bill includes other services.]

```
<1> Under 20 dollars
<2> 20-49.99
<3> 50-99.99
<4> More than 100
<-8> Don't know
<-9> Not available

===>
```

>ps33< Now I'm going to ask you about the importance of a number of services for your household. Using a 5 point scale, with 1 measuring 'not very important to your household' and with 5 measuring 'very important to your household', please rate the following services:

Local telephone service?

```
<1-5>
 <6> I do not have this service
<-8> Don't know
<-9> Not available

===>
```

>ps34< Cable TV service?

```
<1-5>
 <6> I do not have this service
<-8> Don't know
<-9> Not available
```

===>

>ps35< Satellite or Direct TV?

    <1-5>
     <6> I do not have this service
    <-8> Don't know
    <-9> Not available
===>

>ps36< Internet service?

    <1-5>
     <6> I do not have this service
    <-8> Don't know
    <-9> Not available

===>

>ps37< Security Alarm service?

    <1-5>
     <6> I do not have this service
    <-8> Don't know
    <-9> Not available
===>

>ps38< Cellular telephone service?

    <1-5>
     <6> I do not have this service
    <-8> Don't know
    <-9> Not available

===>

>ps39< Pager or beeper service?

    <1-5>
     <6> I do not have this service
    <-8> Don't know
    <-9> Not available

===>

NOTE:	ASK 50% OF RESPONDENTS >ps40a< THROUGH >ps44a<; ASK THE REMAINING 50% OF RESPONDENTS >ps40b< THROUGH >ps44b<

"QUESTIONS PERTAINING TO INCREASING PRICE INCREASES"

>ps40a< Now let's assume that the local portion of your monthly phone bill increased by $2 and you were limited to reacting in three different ways. Of the following three ways which would you choose?
[Note: randomize choices]

<1> Pay the increase and reduce spending in other areas
<2> Pay the increase and not adjust other spending
<3> Discontinue basic local phone service (go to >ps44a<)
<-8> Don't know
<-9> Not available
===>

>ps41a< How about if the local portion of your phone bill increased by $5. Would you:

<1> Pay the increase and reduce spending in other areas
<2> Pay the increase and not adjust other spending
<3> Discontinue basic local phone service (go to >ps44a<)
<-8> Don't know
<-9> Not available
===>

>ps42a< How about if the local portion of your phone bill increased by $10. Would you:

<1> Pay the increase and reduce spending in other areas
<2> Pay the increase and not adjust other spending
<3> Discontinue basic local phone service (go to >ps44a<)
<-8> Don't know
<-9> Not available

===>

>ps43a< How about if the local portion of your phone bill increased by $20. Would you:

<1> Pay the increase and reduce spending in other areas
<2> Pay the increase and not adjust other spending
<3> Discontinue basic local phone service
<-8> Don't know
<-9> Not available
===>

>ps44a< Suppose for a moment that you were considering discontinuing local telephone service because the local rate increased. If you had to choose between switching to a cellular phone, using a neighbor's phone, or using a payphone, which would you be most likely to consider using to meet your telecommunications needs:
[Note: question may be rephrased to allow respondant to choose alternative without a prompt]
<1> Switch to a cellular phone
<2> Use a neighbor's phone
<3> Use a payphone
<4> Never disconnect
<5> Other [specify]
<-8> Don't know
<-9> Not available

**QUESTIONS PERTAINING TO DECREASING PRICE INCREASES*

>ps40b< Now let's assume that the local portion of your monthly phone bill increased by $20 and you were limited to reacting in three different ways. Of the following three ways which would you choose?
[Note: randomize choices]

<1> Pay the increase and reduce spending in other areas
<2> Pay the increase and not adjust other spending (go to >ps44b<)
<3> Discontinue basic local phone service

<8> Don't know
<-9> Not available
===>

>ps41b< How about if the local portion of your phone bill increased by $10. Would you:

    <1> Pay the increase and reduce spending in other areas
    <2> Pay the increase and not adjust other spending (go to >ps44b<)
    <3> Discontinue basic local phone service
    <-8> Don't know
    <-9> Not available
===>

>ps42b< How about if the local portion of your phone bill increased by $5. Would you:

    <1> Pay the increase and reduce spending in other areas
    <2> Pay the increase and not adjust other spending (go to >ps44b<)
    <3> Discontinue basic local phone service
    <-8> Don't know
    <-9> Not available

===>

>ps43b< How about if the local portion of your phone bill increased by $2. Would you:

    <1> Pay the increase and reduce spending in other areas
    <2> Pay the increase and not adjust other spending
    <3> Discontinue basic local phone service
    <-8> Don't know
    <-9> Not available
===>

>ps44b< Suppose for a moment that you were considering discontinuing local telephone service because the local rate increased. If you had to choose between switching to a cellular phone, using a neighbor's phone, or using a payphone, which would you be most likely to consider using to meet your telecommunications needs:
[Note: question may be rephrased to allow respondant to choose alternative without a prompt]
    <1> Switch to a cellular phone
    <2> Use a neighbor's phone
    <3> Use a payphone
    <4> Never disconnect
    <5> Other [specify]
    <-8> Don't know
    <-9> Not available

===>

>ps44< You said that you would consider discontinuing phone service if the local rate increased. If you had to choose between switching to a cellular phone, using a neighbor's phone, or using a payphone, which would you be most likely to consider using to meet your telecommunications needs:
[Note: question may be rephrased to allow respondant to choose alternative without a prompt]
    <1> Switch to a cellular phone
    <2> Use a neighbor's phone
    <3> Use a payphone
    <-8> Don't know
    <-9> Not available

===>

>ps45< In what county in Florida do you live?

<1> Alachua   <2> Baker   <3> Bay   <4> Bradford
<5> Brevard   <6> Broward   <7> Calhoun   <8> Charlotte
<9> Citrus   <10> Clay   <11> Collier   <12> Columbia
<13> Dade   <14> De Soto   <15> Dixie   <16> Duval
<17> Escambia   <18> Flagler   <19> Franklin   <20> Gadsden
<21> Gilchrist   <22> Glades   <23> Gulf   <24> Hamilton
<25> Hardee   <26> Hendry   <27> Hernando   <28> Highlands
<29> Hillsborough <30> Holmes   <31> Indian River <32> Jackson
<33> Jefferson   <34> Lafayette   <35> Lake   <36> Lee
<37> Leon   <38> Levy   <39> Liberty   <40> Madison
<41> Manatee   <42> Marion   <43> Martin   <44> Monroe
<45> Nassau   <46> Okaloosa <47> Okeechobee <48> Orange
<49> Osceola   <50> Palm Beach <51> Pasco   <52> Pinellas
<53> Polk   <54> Putnam   <55> St.Johns   <56> St.Lucie
<57> Santa Rosa <58> Sarasota <59> Seminole   <60> Sumter
<61> Suwannee   <62> Taylor   <63> Union   <64> Volusia
<65> Wakulla   <66> Walton   <67> Washington
     <-8> Don't Know <-9> Not Available
ENTER THE APPROPRIATE NUMBER ===>

>ps46< What is your zip code in Florida? (allow 5 digits)
    <32000-35000>
  <-8> Don't know
  <-9> Not available
===>

>ps47< What race do you consider yourself ?

INTERVIEWER, IF NECESSARY READ CHOICES.

<1> White [goto ps50]
<2> Black [goto ps49]
<3> Asian or Pacific Islander [goto ps50]
<4> Native Indian [goto ps50]
<5> Other [goto ps48]
<6> Multi-racial or mixed race [goto ps49]
<-9> Not available [goto ps50]

===>

>ps48< And what would that be ? [allow 12]

_____

===>

>ps49< Are you of Spanish or Hispanic origin ?

<1> Yes
<2> No
<-8> Don't know
<-9> Not available

===>

>ps50< Now consider your family's household income from all sources. As I
read a list, please stop me when I get to the income level that best

describes your household income in 1997.

<1> less than $10,000
<2> $10,000 to $19,999
<3> $20,000 to $29,999
<4> $30,000 to $39,999
<5> $40,000 to $49,999
<6> $50,000 to $59,999
<7> $60,000 to $79,999
<8> $80,000 to $99,999
<9> $100,000 to 150,000
<10> Over 150,000
<-8> Don't Know
<-9> Not Available

===>