



NEWS & INFORMATION

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Retail wireless telephone connections exceed wireline connections in Iowa

Wireless telephones now account for a majority of telephone service connections in Iowa, according to the most recent Iowa Utilities Board (IUB) survey report on market monitoring for retail local voice services. From 2005 to 2007, the number of wireless connections in Iowa increased by 23 percent while the number of wireline connections decreased by nearly 6 percent.

As of June 30, 2007, the total number of wireless connections in Iowa was shown to be 1,943,334 while the total number of traditional wireline connections was listed at 1,483,814. The report details the IUB's third statewide inquiry into local telecommunications voice services competition. The full IUB report, *2007 Telecommunications Market Monitoring Survey for Retail Local Voice Services in Iowa*, as well as the two previous reports, are available on the IUB Web site, www.state.ia.us/iub.

Fairly consistent with national trends, the survey reports have shown a decline in the total number of wireline connections in Iowa during the past five years. The number of retail wireline connections indicated by the January 2004 initial assessment report was 1,647,722. The March 2006 survey report listed the number of wireline connections in Iowa as 1,577,607. Nationally, this decline has been attributed to factors such as customers eliminating the use of additional phone lines for dial-up Internet service, possibly subscribing to high-speed service instead, and an increase in the number of households using only a wireless telephone. In contrast, the number of retail wireless connections was estimated around 1.3 million in the 2004 report and 1.7 million in the 2006 report.

Surveys only included connections being billed as retail service with the capability of accessing the public switched network. Reported connections were required to utilize telephone numbers included in numbering plan areas assigned to Iowa by the North American Numbering Plan Administrator. Carriers were asked to identify customer connections by community, service area, and numbering plan area.

In July 2005, telephone deregulation legislation was implemented in Iowa. It effectively deregulated telephone rates for most local exchange services except for single line flat-rated residential and business service, which the Board has the authority to find subject to effective competition in a deregulation proceeding. The most recent survey report also indicates that significant percentages of Qwest, Iowa Telecom, and Frontier customers remain subscribed to single line flat-rated services, which the IUB currently rate-regulates.

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