

# UNDERSTANDING THE CHARGES ON YOUR PHONE BILL

- **Alaska Universal Fund (AUSF) – 11.5%**

- Provides support for three different programs: Lifeline & Link Up, DEM Weighting and Public Interest Pay Telephone.
- Lifeline helps reduce the local monthly charge for low-income customers.
- DEM Weighting provides support to certain small local exchange companies with high switching costs.
- The PIPT supports the cost of pay telephones where they are needed for health, safety and public welfare.

- **Universal Access Surcharge - \$0.01 Res/Single Bus, \$0.02 Multi Bus**

- Is for Telecommunications Relay Service centers that transmit and translate calls between hearing individuals and individuals who are hearing or speech impaired.

- **Federal Excise Tax – 3%**

- Mandated by the federal government.

- **City Sales Tax – 4%**

- City of Adak local tax collected and sent to the city.

- **Regulatory Cost Charges – 0.829%**

- Charge to fund the Regulatory Commission of Alaska.

- **Network Access Fee - \$5.25**

- All local telephone service providers must charge the NAF. Recovers a portion of the cost of the “local loop” (i.e. the wires and associated local network facilities that connect a customer to a local telephone service providers central office switch)

- **Subscriber Line Charge - \$6.50 Res/Single Bus, \$9.20 Multi Bus**

- Authorized by the FCC, this flat monthly charge allows local telephone service providers to be compensated for a portion of the costs associated with the installation and maintenance of the telephone wires, poles and other facilities that link homes to the telephone network.

- **Access Recovery Charge - \$2.00 Single Bus, \$3.00 Multi Bus**

- Enables the telephone company to recover from end user customers a limited portion of revenues lost due to FCC mandated reductions in intercarrier payments.

- **Local Monthly Service**

- This is a flat monthly charge which customers pay for local telephone service.
- \$40.60 Residential
- \$53.60 Single Business/Multi Business
- \$28.60 Business Data Line