

CF Communications RP p. 1

# PacBell gears up to end Watsonville toll charges

By CHELA ZABIN  
STAFF WRITER

DEC 1 1993

Toll-free calling between Santa Cruz and Watsonville is scheduled to begin Jan. 3, according to Pacific Bell.

Gloria Rose, a spokeswoman for the telephone company, said notices of the change were sent to Watsonville customers this week. The change will allow unlimited calls from Watsonville to Santa Cruz. To pay for the calls, Watsonville residents will be charged an additional 95 cents a month. Low-income residents on the "life-line" service will see an increase of 48 cents; business customers will pay \$2.75 more.

The change affects customers with 722, 724, 726, 728, 761 and 763

phone prefixes. Santa Cruz residents will still pay toll charges for calling Watsonville.

Customers who have the Call Bonus Community Plan-Santa Cruz, or Optional Calling Measured Service to Santa Cruz, which provide a price break on calls to Santa Cruz, will automatically have those plans removed. Other calling plans that include Santa Cruz will remain on the bill, unless customers ask to have them changed.

The change was approved by Administrative Law Judge Jacqueline Reed in April, after hearings held by the PUC, and was to go into effect at the beginning of 1994.

But the notice brings little com-

See TOLL-FREE / back of section ▶

CF Communications

RP p. 10

## TOLL-FREE

▶ From Page 1 DEC 1 1993

fort to Watsonville resident Mike Kostyal, who began pushing the company to allow the toll calls about two years ago, arguing that it was unfair that Watsonville residents had to pay extra to call county government offices and other crucial services. According to Kostyal, an unrelated rate increase that will add \$3 to \$4 to the residential phone bill is expected to go into effect early next year.

"Any gain I would have gotten for the free calls to Santa Cruz is kind of wiped out," Kostyal said, "The only thing I can take consolation in is that I would have been paying more (without the toll-call change)."

Rose could not confirm the exact increase this morning, saying that approval of the "rate restructuring" was awaiting a final ruling by the PUC. She explained that PacBell is seeking the increase because it has been subsidizing the cost of basic service by charging more for "short-long-distance" calls (calls in the same area code that require a "1"). Now that long-distance carriers are going to be allowed to compete with PacBell for short-long-distance business, PacBell wants to be able to charge more for the basic rate so it can charge less for the short-long-distance calls.

Kostyal is also frustrated by the news that his push to get toll-free calling between Castroville and Watsonville has been quashed by the U.S. Justice Department's antitrust division. That department had been petitioned by PacBell, under the order of the Public Utilities Commission, to allow the

change. The Justice Department is involved in this decision because calls to Monterey County cross federally-established service areas, which were set up when AT&T was broken up, to open up competition for long-distance calls.

Kostyal said he had asked the Justice Department, the PUC and PacBell to notify him when the matter was up for review so that he might plead his case, but his requests were ignored.

"We the people, the ratepayers, were shut out of the process we paid for," Kostyal said.

Kostyal said he "went ballistic" this morning when he found out the decision had been made, and put a call in to the Justice Department in Washington, D.C. He said the official he talked to had determined that there wasn't a sufficient "community of interest" that would be served by the change.

Officials at the Justice Department did not return phone calls by press time.

Kostyal argues that there is a "community of interest," made up mostly of farm- and cannery workers, that frequently makes calls between Castroville and Watsonville. According to his research, half of the ratepayers in Castroville call Watsonville frequently, and one-third of Watsonville customers call Castroville frequently.

Kostyal said his one recourse appears to be lobbying Rep. Sam Farr's office to try to intervene in the matter. He said he might also try to argue to the PUC that PacBell didn't push hard enough for the change, because it was clear that the Department of Justice officials wasn't aware of how many people call between the two communities.