

**GEORGIA PUBLIC SERVICE COMMISSION**

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**LONG DISTANCE ACCESS FEES REDUCED \$30 MILLION**

ATLANTA – Georgia now has the lowest long distance access fees in the southeast and fifth lowest in the country as a result of an agreement between BellSouth and AT&T filed Tuesday with the Georgia Public Service Commission (PSC). BellSouth filed a \$30 million reduction in charges long distance providers pay BellSouth to access local networks.

"These reductions will go a long way towards lowering long distance rates in Georgia," said PSC member Stan Wise who facilitated talks between the two companies. "By January of 2000, Georgia's access fees will be reduced from 3.5 cents per minute to 2.2 cents per minute behind only Ohio, California, Illinois and Wisconsin."

The reductions will be phased in over the next 13 months - \$15 million this January and \$15 million in January of 2000. Next month the PSC is expected to approve the reductions and then order long distance carriers to lower intrastate long distance charges to reflect the access fee reductions. Access fees represent approximately 40% of long distance charges.

AT&T filed a complaint against BellSouth April 24, seeking to cut \$58 million a year from access fees. Though long distance providers pay 3.5 cents per minute of access, AT&T argued the actual cost to BellSouth is in the .5 cents per-minute range. After months of negotiations, BellSouth agreed to \$30 million in access fee reductions. AT&T withdrew its petition to the PSC Tuesday.

Following the break-up of AT&T in 1984, access fees were established to compensate the newly created Bells for use of their networks. Since their introduction in 1984, access fees in Georgia have been reduced by \$141 million excluding the reductions filed Tuesday.

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