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# Communications Daily

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## CONSUMERS BENEFITING FROM BUNDLED PHONE PLANS, SAYS THE PHOENIX CENTER

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Consumers are seeing benefits worth \$10 billion per year through “all distance-all you can eat” phone plans, the Phoenix Center said in a policy paper. The calculations take into account both price reductions for maintaining the same level of calling and the ability to increase the number of minutes for the same amount of money. The flat price plans typically provide unlimited local and long distance calling for a fixed price of about \$60 a month, the center said. The study said flat price bundles first were offered by new telecom entrants in the local market in 2002. By becoming a local provider, an entrant no longer needed to pay per-minute switched access charges to ILECs, giving them the ability to offer lower priced plans, the study said. “The competitive policies put in place by the 1996 Telecom Act] are working,” Phoenix Center Pres. Lawrence Spiwak said: “However, these gains are fragile and could easily be reversed by policy mistakes, such as limiting the types of elements available to rivals or increasing the cost of an element.” The center does studies on public policy issues.