

December 10, 1990

Sharon L. Nelson, Chairman Washington Utilities and Transportation Commission 1300 South Evergreen Park Dr. S. W. Olympia, WA 98504

RE: UT - 900726

Dear Ms. Nelson:

I am advised that there will be a public hearing before your commission on December 12, 1990. Because of the distance involved, our company will not be able to appear and give testimony with regard to the proposal concerning the regulations impacting hotels and motels in the telecommunications area.

I wish to add my comments in opposition to your commission establishing regulations over telephone services available to the quests at motels.

Telephone services to a guest are offered merely as an additional amenity. They are not profit centers and they are only offered because the public demands telephones in each individual room. If we had a choice, I can assure you that we would not have telephones at our property at all. Since we do, we do attempt to cover the costs of the telephones provided to our guests. Our company offers all telephone calls of a local nature at no charge to the guest. We do charge a slight service charge above direct dial rates for all long distance calls charged to the room. We do not charge any additional amount for a call charged to a credit card or a third party.

A telephone system installed in a typical 120 unit motel costs approximately \$50,000.00 and then of course, in addition to that is the monthly charges occasioned by the local telephone service.

This program is in no way a profit making venture for our company. In 1989 we lost approximately \$35,000.00 in uncollected and non billable telephone charges.

Many of our guests, through forgetfulness and even to some extent intentionally, leave without paying their telephone bill at all. That, on top of the fact that the cost of the services always exceeds the amount that we are able to collect, puts us in a position where we consistently each year lose money in our telephone category.

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With all of this in mind, I would urge that you not adopt rules further limiting or impacting the use of telephones and the charges set by individual properties. If a guest is notified of what the charges are to be, then let them make the free choice to decide whether or not to use the telephone. If they decide to use it, then they should pay for it. If they decide not to use it because they believe the rate is too high, then fine; nothing further need be done. That is the same choice they make when they select the hotel or motel of their choice in the first place. They do that based upon location, services offered, and most assuredly, price.

Very truly yours,

Travelers INNS

Dan N. Baker Vice President

DNB:cp

cc: Dan Allen