

## **ATTACHMENT B**

BellSouth Telecommunications, Inc. FPSC Data Request Request for Confidential Classification Page 1 of 1 02/14/02

REQUEST FOR CONFIDENTIAL CLASSIFICATION OF BELLSOUTH'S RESPONSE TO FLORIDA PUBLIC SERVICE COMMISSION'S REQUEST FOR INFORMATION CONCERNING CONVENIENCE FEES

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FPSC-COMMISSION CLERK

REQUEST:

We understand that customers may pay via phone, by means other than a credit card. In such cases, we understand that the \$2.50 convenience fee applies. Please confirm that our understanding is correct or explain what other charges, if any, apply in this situation.

RESPONSE: The payment convenience fee was implemented within the telephone payment channel primarily due to the high cost associated with Service Representative time involved in processing a payment. The payment convenience fee applies to all payments taken by phone. Currently, BellSouth accepts MasterCard and VISA credit cards and co-branded debit cards by telephone. However, we are exploring other payment options for payment via phone (e.g., e-check, other debit cards), but these currently are not available due to system limitations and the cost to implement in our legacy billing system. When other payment options are implemented for the Service Representative channel, the same convenience fee will apply to these payment methods as well.

> In addition, those customers requesting to make payments via phone at this time are advised of the fee, and of the other remittance options that are available where the convenience fee would not apply, such as via our website for e-check or credit card payments, mail, or walk-in locations.

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REQUEST:

- a. When did BellSouth first accept payment via phone?
- b. What were the available means of payment for callers?
- c. Did the available means of payment change over time? If so, how?

## **RESPONSE:**

a. When did BellSouth first accept payment via phone?

A stand-alone method was available to Service Representatives for processing payments via telephone around 4/96. This capability was enhanced mid -1997. BellSouth initially began accepting telephone-initiated payments as a way to assist those customers who needed to make a payment immediately. Over time, use of this option has grown from infrequent use, to one used by some customers repeatedly.

b. What were the available means of payment for callers?

Callers have always had the option to choose one of BellSouth's other payment channels. At the time we began accepting payments via the phone, these options included the option of mailing payments, make payments at walk-in locations, utilize home banking payment options, and paying via recurring Automatic Funds Transfers (AFT), as well as a recurring credit card option.

c. Did the available means of payment change over time? If so, how?

Yes, there have been changes over time in the available means of payment. For a time, we offered the ability to pay using credit card via our RightTouch Service, but that has since been eliminated. We have implemented several online payment options, including credit card via the web site, which **do not** incur a convenience fee. The credit card payment option via our website was implemented in January 1999. In addition, we also implemented a one-time e-check payment option via our website in February 2001, as well as the ability to enroll in a recurring e-check payment option via the web in October 2001. We are continually evaluating and implementing new payment methods.

For each month of 2001, where data is available, how many customers paid their telephone bills on a casual basis by calling a BellSouth service representative? REQUEST:

RESPONSE: Below is the total number of payments, in thousands, paid by phone via a Service Representative during 2001 in Florida.

(in thousands)

| REQUEST:         | What is BellSouth's forecasted annual revenue from the \$2.50 convenience fee? |
|------------------|--|
|                  |  |
| <b>RESPONSE:</b> |  |