
BellSouth Interconnection Services

675 West Peachtree Street
Atlanta, Georgia 30375

Carrier Notification**SN91082768**

Date: December 7, 2001

To: All Payphone Service Providers (PSPs)

Subject: PSPs - Tennessee Refund Interest Over-Calculation on Usage

In December 2000, the Tennessee Regulatory Authority (TRA) ordered BellSouth to reduce its rates for Smartline and Pay Telephone Access Service (PTAS) lines in Tennessee and to pay refunds as a result of this reduction. BellSouth issued these refunds in February 2001, and BellSouth also issued additional refunds to certain PSPs in September 2001 in order to address certain items including usage charges.

To the extent that any of these September 2001 refunds addressed usage charges, these refunds were overstated due to an inadvertent programming error that incorrectly calculated the amount of interest due on such refunds. To illustrate the miscalculation, assume that the refund period was five months and that a given PSP was entitled to usage refunds of \$15 for Month 1, \$5 for Month 2, \$0 for Month 3, \$20 for Month 4, and \$10 for Month 5. In the attached document, Table 1 demonstrates the manner in which the interest due on these usage refunds should have been calculated. Table 2 demonstrates the erroneous manner in which the interest paid on these usage refunds was actually calculated.

The PSP, in the illustration above, would have received \$1.75 of interest on the usage refunds instead of the \$0.73 of interest to which it was entitled. As a result, BellSouth will apply a debit in the amount of the difference between the interest actually paid for usage refunds and the interest that should have been paid on usage refunds. This debit will appear on the December bill of PSPs that were over refunded. For instance, the PSP in the example above would see a debit of \$1.02 (\$1.75 paid minus \$0.73 due) on its December bill.

BellSouth apologizes for any inconvenience this programming error may have caused.

Should you have any questions, please contact the PSP Service Center or your BellSouth account team representative. The PSP Service Center can be reached at the following numbers:

In the BellSouth Region: 557-2647 (AL, KY, LA, MS, TN) or
780-2171 (FL, GA, NC, SC).
(If you are calling from a mandatory 10-digit calling area, include
your local area code)

Outside BellSouth Region: 800-786-7619

Fax: (205) 321-2191

Sincerely,

ORIGINAL SIGNED BY MATEO CAYMOL FOR JIM BRINKLEY

Jim Brinkley – Senior Director
BellSouth Interconnection Services

Attachment

Table 1 - Correct Calculation				Table 2 - In-Correct Calculation			
Refund Amount (Principle)	Monthly Interest Factor	No. of Months	Correct Interest Refund	Refund Amount (Principle)	Monthly Interest Factor	No. of Months	In-Correct Interest Refund
\$ 15.00	0.005	5	\$0.38	\$ 15.00	0.005	5	\$0.38
\$ 5.00	0.005	4	\$0.10	\$ 15.00	0.005	4	\$0.30
\$ -	0.005	3	\$0.00	\$ 15.00	0.005	3	\$0.23
\$ 20.00	0.005	2	\$0.20	\$ 15.00	0.005	2	\$0.15
\$ 10.00	0.005	1	\$0.05	\$ 15.00	0.005	1	\$0.08
				\$ 5.00	0.005	4	\$0.10
				\$ 5.00	0.005	3	\$0.08
				\$ 5.00	0.005	2	\$0.05
				\$ 5.00	0.005	1	\$0.03
				\$ -	0.005	3	\$0.00
				\$ -	0.005	2	\$0.00
				\$ -	0.005	1	\$0.00
				\$ 20.00	0.005	2	\$0.20
				\$ 20.00	0.005	1	\$0.10
				\$ 10.00	0.005	1	\$0.05
Correct Interest Calculation			\$0.73	In-correct Interest Calculation			\$1.75