

TENNESSEE REGULATORY AUTHORITY

Melvin Malone, Chairman
Lynn Greer, Director
Sara Kyle, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

February 1, 2000

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TN REGULATORY AUTHORITY
GENERAL COUNSEL'S OFFICE

Mr. Charles L. Howorth, Jr.
Regulatory Vice President
BellSouth Telecommunications, Inc.
333 Commerce Street, Suite 2104
Nashville, TN 37201-3300

In Re: Tariff Filing of BellSouth Telecommunications to
Reduce Grouping Rates in Rate Group 5 and to
Implement a 3% Late Payment Charge
Tariff No. 00-00041

Dear Mr. Howorth:

In order to further the Authority's review of BellSouth Telecommunications, Inc.'s ("BST") tariff filing captioned above, please provide responses to the following questions by February 8, 2000.

1. Does BST propose to apply the 3% late payment charge to basic services as defined by T.C.A. § 65-5-208?
2. If the answer to 1 above is yes, please explain why BST believes the late payment charge does not violate the prohibition against increasing basic local exchange telephone rates pursuant to T.C.A. § 65-5-209?
3. Provide the calculations of late payment revenues to be generated by the 3% late payment charges. If possible, show calculations of late payment charges generated from basic and non-basic revenues.
4. Identify any cost differences for the provisioning of grouping services in Rate Group 5 as compared to Rate Groups 1, 2, 3, or 4?
5. Rate groups currently permit the assessment of higher rates for larger local calling scopes. Please discuss BST's justification for reducing grouping charges for Rate Group 5 customers only?

6. If there are no significant cost differences in providing grouping service to Rate Group 5 customers as opposed to Rate Groups 1-4, how does BST's proposal comply with 47 U.S.C. § 254(b) (3)?

If you have any questions, please contact Mr. Roger Knight at 741-2904 ext. 154.

Sincerely,

A handwritten signature in black ink, appearing to read "K. David Waddell". The signature is stylized with a large, looped "K" and a cursive "Waddell".

K. David Waddell
Executive Secretary

Xc: Official File