



THE NACHA EBIDS PILOT — AN EBILLING REVENUE OPPORTUNITY FOR BANKS

NACHA launched its EBIDS (Electronic Billing Information Delivery Service) Pilot to the general public in September 2008, and transaction volume continues to grow between participating organizations. Developed to increase the availability of electronic bills for consumers, EBIDS allows businesses to deliver electronic bills to consumer online banking accounts for presentment and to receive authorized credit payments through the ACH Network.

EBIDS expands the capabilities of the Automated Clearing House (ACH) Network and leverages the open standards, interoperability, and ubiquity of the Network to include the distribution of consumer bills to financial institutions.

EBIDS provides revenue opportunities for financial institutions serving both business and consumer customers. Financial institutions serving consumers will earn revenue for every eBill enrollment they originate, and every eBill they present to consumer customers. Financial institutions serving business customers can extend their treasury and ACH product services to include eBill origination, payment concentration, and remittance delivery.

"We believe EBIDS can open up new markets for regional and community banks, leveraging the ACH Network and lifting adoption rates for electronic bill presentment across the board," said Jeff Morrow, executive vice president of Dollar Bank. "Until now, such banks have not had a cost-effective way to present electronic bills to customers."

Billers participating in EBIDS benefit immediately through reduced costs associated with paper billing, faster payment posting and fewer exceptions. Additionally, through EBIDS billers are able to offer consumer customers an easy way to make eco-friendly electronic payments privately and securely.

The EBIDS initiative is growing, and NACHA is looking for additional participants, especially billers. It's easy for billers to get started with EBIDS. In the initial phase, billers who are not yet ready to send eBills can enroll in the Biller Directory as "payment only" billers. The Biller Directory includes all of the key payment instructions that would allow a biller to receive ACH credit payments electronically from participating consumer financial institutions. At a later date, eBill functionality and instructions can be added to the Biller Directory when the biller is ready.

A biller's treasury bank sponsors the biller into the Biller Directory. This approach provides treasury banks and their business customers an easy path to get started and still enjoy the benefits of EBIDS.

"A number of our biller customers are interested in EBIDS, but it requires some effort for them to send eBills," says Chris Huppert, Senior Vice President for Wells Fargo. "This phased approach allows the billers to start receiving ACH payments while they get their systems ready for eBill distribution." The process of getting started with the EBIDS payment function is simple. A treasury bank:

- signs an agreement with NACHA to offer EBIDS to its customers
- obtains credentials for accessing the Biller Directory.
- enrolls their biller customer in the EBIDS Biller Directory

Current EBIDS participants include Verizon Communications supported by JPMorgan Chase, Wells Fargo and Dollar Bank. A full list of participants is available at the EBIDS website:

<http://www.nachaebids.org/>

For more information please contact Rob Unger at runger@nacha.org, 703-561-3913.. 