

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Mark Sievers, Chairman
Ward Loyd
Thomas E. Wright

In the Matter of a General Investigation to)
Determine the Assessment Rate for the Sixteenth) Docket No. 12-GIMT-168-GIT
Year of the Kansas Universal Service)

**ORDER SETTING THE KANSAS UNIVERSAL SERVICE FUND PER LINE
SUPPORT AMOUNTS FOR YEAR SIXTEEN**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and determination. Having examined its files and records and being fully advised in the premises, the Commission finds and concludes as follows:

1. The Kansas Universal Service Fund (KUSF) was established by the Commission pursuant to K.S.A. 66-2008 and began operations March 1, 1997. The Commission annually establishes the rate to be assessed on intrastate retail revenues of all contributors to the fund. Contributors are allowed to pass through the assessment to their customers, limited to the amount of the actual assessment. K.S.A. 66-2008(a). The assessment also funds Lifeline service, K.S.A. 66-2002(f); dual party relay service and telecommunications equipment for persons with visual impairment and persons with other special needs, K.S.A. 66-2002(g); and KAN-ED support, K.S.A. 66-2010(f).

2. On July 9, 2002, the Commission issued an Order in Docket No. 02-GIMT-161-GIT and directed Staff to calculate the KUSF support available to a competitive Eligible Telecommunications Carrier (ETC) operating in a rural Local Exchange Carrier's (LEC) study

area. Staff was directed to file this information no later than April 1st of each year.

3. In its March 7, 2007, Order in Docket No. 06-GIMT-1289-GIT, the Commission reaffirmed that a competitive ETC will continue to receive KUSF support on a per-line basis for each eligible line served in a rural LEC study area. The Commission stated that the per-line KUSF support will be calculated by dividing the total annual KUSF support payable to a rural LEC by that rural LEC's total KUSF support-eligible lines as of September 30 of each year. The Commission, however, noted the following exceptions:

- the per-line KUSF support available for lines in exchanges that Gorham Telephone Co., (Gorham) and Rural Telephone Service Company, Inc. (Rural) purchased from the United Telephone Companies of Kansas d/b/a CenturyLink (CenturyLink) is based on the high-cost model adopted by the Commission, and

- the per-line KUSF support available in the study areas of JBN Telephone Company, Inc. (JBN), Madison Telephone, LLC (Madison), and Pioneer Communications (Pioneer) is targeted, or disaggregated, to high-cost exchanges and zones, pursuant to plans filed by each company in Docket No. 02-RTCT-366-MIS.

4. Based on the Orders discussed supra, the March 1, 2012, KUSF support available for an eligible line served by a competitive ETC in a rural LEC's study area was determined by Staff on a monthly and annual basis. The per-line KUSF support is included in Attachment 1, attached to this Order and made a part here by reference, which consists of three pages. Page 1 shows the per-line KUSF support, effective March 1, 2012, and March 1, 2011, and March 1, 2010.

The KUSF support available for each KUSF support eligible line in an exchange purchased from CenturyLink by Gorham and Rural is shown on page 2. Page 3 lists the disaggregated per-line KUSF support, by exchange and zone, for eligible lines in JBN, Madison, and Pioneer's study areas. Staff has indicated that in the event a rural LEC's KUSF support changes after March 1, 2012, the amount available and paid to a competitive ETC will

be adjusted accordingly.

5. Staff filed a Report and Recommendation on February 29, 2012, recommending the Commission adopt the monthly and annual KUSF per-line support as contained in Attachment 1 to this Order, effective March 1, 2012. Staff further recommends that Attachment 1 be placed on the Commission's website to ensure the information is readily available to competitive ETCs.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Commission finds that Staff's recommendation should be accepted and Attachment 1 to this Order contains the per-line KUSF support effective March 1, 2012. The Commission further orders that Attachment 1 be placed on the Commission's website to ensure the information is readily available.

B. The parties have fifteen days, plus three days if service of this Order is by mail, from the date this order was served in which to petition the Commission for reconsideration of any issue or issues decided herein. K.S.A. 66-118b; K.S.A. 2009 Supp. 77-529(a)(1).

C. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Sievers, Chmn.; Loyd, Com.; Wright, Com.

Dated: **MAR 22 2012**



ORDER MAILED MAR 22 2012

Patrice Petersen-Klein
Executive Director

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Per Line KUSF Support in Rural LEC Study Areas
 Effective March 1, 2012
 (Fiscal Year 16)

Company	March 1, 2012-Feb. 28, 2013		March 1, 2011-Feb. 28, 2012		March 1, 2010-Feb. 28, 2011	
	Monthly	Annual	Monthly	Annual	Monthly	Annual
Bluestem	\$ -	\$ -	\$ -		\$ -	\$ -
Blue Valley- All exchanges	18.13	217.56	17.95	215.38	22.21	266.49
Columbus	0.95	11.36	0.90	10.81	1.88	22.53
Council Grove	66.26	795.17	54.25	651.01	53.63	643.61
Craw-Kan	7.17	86.05	6.92	83.05	9.19	110.31
Cunningham	79.04	948.52	35.10	421.16	37.93	455.21
Cunningham (Eff. Jan. - Feb. 2012)			75.17	902.09		
Elkhart	2.57	30.84	2.51	30.09	4.53	54.38
FairPoint Missouri	-	-	-	-	-	-
Golden Belt	13.70	164.41	13.33	159.95	-	-
Golden Belt (Eff. Nov. 2010 - Feb. 2011)					16.94	203.30
Gorham (Original Exchanges) (Luray & Paradise)	9.37	112.49	8.79	105.46	14.85	178.22
H & B	See page 2		See page 2		See page 2	
Haviland	101.72	1,220.63	99.02	1,188.19	99.07	1,188.80
Haviland (Eff. Oct. 2010 - Feb. 2011)	-	-	-	-	27.70	332.35
Home	31.54	378.47	31.20	374.37	33.81	405.74
JBN	See page 3		See page 3		See page 3	
KanOkla	37.13	445.52	35.81	429.70	36.52	438.25
LaHarpe	42.99	515.88	40.08	480.94	48.93	587.16
Madison	See page 3		See page 3		See page 3	
Mokan	-	-	-	-	-	-
Moundridge	10.93	131.10	10.69	128.31	14.10	169.18
Mutual	50.84	610.04	49.93	599.17	51.47	617.60
Peoples Mutual	11.62	139.39	10.85	130.19	13.29	159.44
Pioneer (1)	See page 3		See page 3		See page 3	
Rainbow	10.57	126.79	10.55	126.63	12.81	153.76
Rural (Original Exchanges Only) (Purchased Exchanges)	38.62	463.40	33.45	401.45	38.70	464.45
S & A	See page 2		See page 2		See page 2	
S & T	47.17	565.99	43.95	527.35	42.59	511.05
South Central	31.03	372.38	30.22	362.60	32.00	383.99
Southern Kansas	15.88	190.62	15.14	181.67	17.09	205.09
Sunflower	29.67	356.09	27.98	335.72	27.15	325.86
Totah	-	-	-	-	-	-
Tri-County	22.76	273.09	21.26	255.18	19.43	233.20
Twin Valley - All Exchanges	46.26	555.08	43.85	526.26	47.88	574.61
United Telephone Assoc. (2)	54.69	656.29	52.98	635.81	54.22	650.64
Wamego	8.00	96.02	7.71	92.47	1.36	16.30
Wheat State	1.02	12.21	0.99	11.85	2.96	35.56
Wilson	30.65	367.85	26.98	323.75	29.15	349.80
Zenda	40.91	490.90	39.77	477.20	40.90	490.80
	56.81	681.72	49.00	587.99	50.27	603.19

Notes:

Per Line KUSF Support in Rural LEC Exchanges
Purchased from CenturyLink,
Effective March 1, 2012
(Fiscal Year 16)

		Gross KUSF Support Per Line				Federal USF Offsets		Net KUSF Support Per Line			
Gorham		Zone 1		Zone 2				Zone 1		Zone 2	
Wire Center	Study Area	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual
Luray	United	\$ 21.06	\$ 252.75	\$ 155.55	\$ 1,866.60	\$ 5.52	\$ 66.24	\$ 15.54	\$ 186.51	\$ 150.03	\$1,800.36
Paradise	United	\$ -	\$ -	\$ 162.84	1,954.02	5.52	66.24	(5.52)	(66.24)	157.32	1,887.78

		Gross KUSF Support Per Line				Federal USF Offset		Net KUSF Support Per Line			
Rural Telephone		Zone 1		Zone 2				Zone 1		Zone 2	
Wire Center	Study Area	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual
Burr Oak	Eastern	\$ -	\$ -	\$ 62.60	\$ 751.19	\$ 8.41	\$ 100.92	\$ (8.41)	\$ (100.92)	\$ 54.19	\$ 650.27
Courtland	Eastern	\$ 16.41	\$ 196.94	\$ 99.58	\$1,194.93	8.41	100.92	8.00	96.02	91.17	1,094.01
Downs	United	\$ -	\$ -	\$ 24.10	\$ 289.25	5.52	66.24	(5.52)	(66.24)	18.58	223.01
Esbon	Eastern	\$ -	\$ -	\$ 82.97	\$ 995.62	8.41	100.92	(8.41)	(100.92)	74.56	894.70
Ionia	Eastern	\$ -	\$ -	\$ 101.87	\$1,222.39	8.41	100.92	(8.41)	(100.92)	93.46	1,121.47
Lebanon	Eastern	\$ 17.81	\$ 213.70	\$ 129.89	\$1,558.66	8.41	100.92	9.40	112.78	121.48	1,457.74
Osborne	United	\$ -	\$ -	\$ 49.52	\$ 594.21	5.52	66.24	(5.52)	(66.24)	44.00	527.97
Republic	Eastern	\$ -	\$ -	\$ 72.39	\$ 868.67	8.41	100.92	(8.41)	(100.92)	63.98	767.75
Russell	United	\$ -	\$ -	\$ -	\$ -	5.52	66.24	(5.52)	(66.24)	(5.52)	(66.24)
Webber	Eastern	\$ -	\$ -	\$ 93.96	\$1,127.56	8.41	100.92	(8.41)	(100.92)	85.55	1,026.64

Federal USF Offset		
Study Area	Per Month	Annual
United	5.52	\$ 66.24
Eastern	8.41	\$ 100.92

Disaggregated KUSF Support
 JBN, Madison, and Pioneer
 Effective 3/1/2012
 (Fiscal Year 16)

Company	Wire Center	Zone 1		Zone 2	
		Monthly	Annual	Monthly	Annual
JBN	Fairview (467)	\$ 3.31	\$ 39.72	\$ -	\$ -
	Agenda (732)			8.95	107.40
	Barnes (763)			8.55	102.60
	Corning (868)			7.36	88.32
	Cuba (729)			9.50	114.00
	Goff (939)			7.66	91.92
	Haddam (778)			8.34	100.08
	Havensville (948)			8.80	105.60
	Mahaska (245)			8.59	103.08
	Morrowville (265)			10.09	121.08
	Munden (987)			8.98	107.76
	Narka (358)			8.01	96.12
	Netawaka (933)			8.58	102.96
	Soldier (834)			8.55	102.60
	Wetmore (866)			7.89	94.68

Company	Wire Center	Zone 1		Zone 2	
		Monthly	Annual	Monthly	Annual
Madison	Madison	\$ 7.66	\$ 91.92	\$ 93.28	\$ 1,119.36

Company	Wire Center	Zone 1		Zone 2	
		Monthly	Annual	Monthly	Annual
Pioneer	Big Bow			\$ 54.34	\$ 652.08
	Coolidge			48.05	576.60
	Deerfield			65.05	780.60
	Hugoton	\$ 5.22	\$ 62.64	-	-
	Johnson			58.51	702.12
	Kendall			51.67	620.03
	Lakin			61.14	733.68
	Manter			55.56	666.72
	Moscow			51.70	620.40
	Richfield			62.34	748.08
	Rolla			60.98	731.72
	Ryus			60.93	731.16
	Satanta			53.92	647.05
	Syracuse			57.69	692.28
	Ulysses	5.58	66.96	-	-

(Effective Sept. 2011 - Feb. 2012)		Zone 1		Zone 2	
Company	Wire Center	Monthly	Annual	Monthly	Annual
Pioneer	Big Bow			\$ 52.08	\$ 624.96
	Coolidge			44.96	539.52
	Deerfield			59.73	716.76
	Hugoton	\$4.78	\$57.36	-	-
	Johnson			55.79	669.48
	Kendall			50.25	603.00
	Lakin			57.22	686.64
	Manter			50.30	603.60
	Moscow			48.95	587.40
	Richfield			56.67	680.04
	Rolla			57.11	685.32
	Ryus			53.95	647.40
	Satanta			51.52	618.24
	Syracuse			52.38	628.55
	Ulysses	\$5.14	61.68	-	-

PLEASE FORWARD THE ATTACHED DOCUMENT (S) ISSUED IN THE ABOVE-REFERENCED DOCKET TO THE FOLLOWING:

NAME AND ADDRESS	NO. CERT. COPIES	NO. PLAIN COPIES
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ORDER MAILED **MAR 22 2012**

The Docket Room hereby certified that on this _____ day of _____, 20____, it caused a true and correct copy of the attached ORDER to be deposited in the United States Mail, postage prepaid, and addressed to the above persons.