

**THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS**

Secretary of State. Staff also discovered Westel had not paid quarterly assessments to the Commission, filed its Annual Interrogatory to determine its payment obligations, filed KUSF Carrier Remittance Worksheets (CRWs) or registered with the KUSF for fiscal Operating Years 22 and 23.

3. Based on the Staff investigation, the Commission on June 25, 2019, issued an Order to Show Cause directing Westel to address within thirty days why it should not be subject to penalties, sanctions or fines and/or have its Certificate of Convenience and Authority to provide interexchange service suspended, canceled or revoked for its non-compliance.

4. On September 17, 2019, the Staff submitted a Report and Recommendation dated September 16, 2019, advising the Commission that Westel had failed to respond to the Order to Show Cause and recommending the Commission issue an Order Revoking Westel's Certificate.

5. In its Report and Recommendation, the Staff indicated it had been contacted by Westel, and Westel had come into compliance with corporate law and renewed its authority with the Kansas Secretary of State to operate as a Foreign For Profit corporation. It also registered for the KUSF for Fiscal Years 22 and 23. However, with respect to its other obligations, Staff noted Westel was delinquent in its regulatory assessments in the amount of \$225.00 and had not filed its KUSF 2018 Annual Interrogatory. The Staff further stated Westel had not filed KUSF CRWs for the period of September 2017 through August 2019.

6. Based on the Staff analysis, the Commission finds the Staff Report and Recommendation dated September 16, 2019, which is attached and incorporated by reference, should be adopted and Westel's Certificate of Convenience and Authority to provide interexchange carrier service in Kansas should be revoked for failure to comply with KUSF

reporting requirements, pay Commission assessments and file a response to the Order to Show Cause.

**IT IS THEREFORE, BY THE COMMISSION ORDERED THAT:**

A. Westel, Inc. Certificate of Convenience and Authority to operate as an interexchange carrier in the state of Kansas is revoked.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).<sup>2</sup>

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.**

Keen, Chair; Albrecht, Commissioner; Duffy, Commissioner

Dated: 10/15/2019



Lynn M. Retz  
Executive Director

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<sup>2</sup> K.S.A. 66-118b; K.S.A. 77-503(c); and K.S.A. 77-531(b).

**REPORT AND RECOMMENDATION  
UTILITIES DIVISION**

**TO:** Chair Dwight D. Keen  
Commissioner Shari Feist Albrecht  
Commissioner Susan K. Duffy

**FROM:** Sandy Reams, Assistant Chief of Telecommunications  
Christine Aarnes, Chief of Telecommunications  
Jeff McClanahan, Director of Utilities

**DATE:** September 16, 2019

**SUBJECT:** Docket No. 19-WELC-518-SHO  
In the Matter of a General Investigation for Westel, Inc. to Show Cause Why this Commission Should Not Initiate Sanctions and Fines and/or its Certificate of Convenience to Provide Interexchange Carrier Service be Suspended, Canceled, or Revoked for Non-Compliance with Kansas Statutes and Commission Orders.

**EXECUTIVE SUMMARY:**

On June 25, 2019, the Commission issued an Order to Show Cause directing Westel, Inc. (Westel) to show cause why it should not be subject to penalties, sanctions or fines and/or its Certificate of Convenience (COC) to provide interexchange carrier (IXC)<sup>1</sup> in Kansas be suspended, canceled, or revoked for failure to comply with its Kansas statutory obligations (Show Cause Order).

Westel did not respond to the Show Cause Order. Westel remains delinquent with paying Commission assessments, filing its Annual Interrogatory for the year ended December 2018, and complying with its Kansas Universal Service Fund (KUSF) obligations. Staff recommends the Commission issue an Order to revoke Westel's COC to provide IXC services in Kansas for failure to comply with its Kansas obligations.

**BACKGROUND:**

In a Report and Recommendation (R&R) dated June 13, 2019, Staff advised the Commission that Westel had not filed Annual Reports with the Kansas Secretary of State's Office as required by K.S.A. 17-7505 and forfeited its authority to do business in Kansas, pursuant to K.S.A. 17-7510(b).

<sup>1</sup> Docket No. 93-WELC-0518-COC, 1992.

Staff explained that Westel owed \$200 of assessments to the Commission and had not filed its 2018 Annual Interrogatory as required by K.S.A. 66-1503 and K.S.A. 66-2005(z)(3)(E), respectively. Staff further advised the Commission that Westel was delinquent with its KUSF obligations for the periods of September 2017 through April 2019, including that the Company had not registered for the Fiscal Years of March 1, 2018, through February 28, 2019 (FY 22), and March 1, 2019, through February 29, 2020 (FY 23).

In its June 25, 2019, Show Cause Order, the Commission directed Westel to show cause why it should not be subject to penalties, sanctions or fines and/or its Certificate of Convenience (COC) to provide interexchange carrier (IXC) in Kansas be suspended, canceled, or revoked for failure to comply with its Kansas statutory obligations. Westel was directed to respond within 30 days of receipt of the Order.

### **ANALYSIS**

Westel did not file a response to the Show Cause Order; instead, Westel contacted Staff on July 25, 2019.<sup>2</sup> Westel stated it does not offer services in Kansas and wanted to maintain its COC to provide IXC services. Since July 25, 2019, Staff has provided Westel with information on multiple occasions regarding all actions necessary to maintain its COC.

Westel is now in compliance with its Kansas Secretary of State obligations, consistent with K.S.A. 17-7505 and K.S.A. 17-7510(b)<sup>3</sup> and with its obligation to register with the KUSF for FYs 22 and 23. Westel has not, however, fulfilled all of its Kansas obligations. Westel's delinquent assessment balance owed to the Commission has increased to \$225 and Westel has not filed its 2018 Annual Interrogatory. Westel also remains delinquent with its KUSF obligations as it has not filed its KUSF CRWs for the period of September 2017 through August 2019.

Westel has been on notice since the Commission issued its Show Cause Order that failure to comply with its Kansas obligations could result in its COC to provide IXC services being suspended, canceled, or revoked.

### **RECOMMENDATION:**

Based on the information provided in this R&R, Staff recommends that the Commission issue an Order to revoke Westel's COC to provide IXC services in Kansas for failure to comply with its Kansas obligations.

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<sup>2</sup> Email from Sandy Reams, Commission Staff, to Mr. Brian Bothroyd, Westel, dated July 25, 2019.

<sup>3</sup> Kansas Secretary of State, Business Center, <https://www.kansas.gov/bess/flow/main?execution=e1s5>, last viewed Sept. 16, 2019.

## **CERTIFICATE OF SERVICE**

19-WELC-518-SHO

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of first class mail and electronic service on 10/15/2019.

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/S/ DeeAnn Shupe  
DeeAnn Shupe