

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

**In the Matter of the Application of Columbus)
Communications Services, LLC) Docket No. 22-COST-546-KSF
for Additional Kansas Universal Service)
Fund Support Pursuant to K.S.A. 66-2008)**

**REDACTED
DIRECT TESTIMONY
PREPARED BY
KATIE L. FIGGS
UTILITIES DIVISION
KANSAS CORPORATION COMMISSION
October 6, 2022**

1 **Table of Contents**
2 **I. INTRODUCTION** 2
3 **II. OVERVIEW**..... 5
4 **III. ANALYSIS** 7
5 **VI. STAFF ACCOUNTING SCHEDULES**..... 9
6 **VII. RATE BASE ADJUSTMENTS** 11
7 **A. PLANT-IN-SERVICE** 11
8 **B. ACCUMULATED DEPRECIATION**..... 11
9 **C. CASH WORKING CAPITAL** 12
10 **VIII. INCOME STATEMENT ADJUSTMENTS** 13
11 **A. DEPRECIATION EXPENSE** 13
12 **B. PAYROLL EXPENSE**..... 14
13 **C. EMPLOYEE BENEFIT AND PAYROLL TAX EXPENSE** 16
14 **D. AUDIT EXPENSE** 16
15 **E. PROPERTY TAX EXPENSE**..... 18
16 **F. ADVERTISING EXPENSE** 19
17 **G. DUES, DONATIONS, AND SPONSORSHIPS**..... 20
18 **H. LOBBYING EXPENSE**..... 22
19 **I. TRAVEL AND TRAINING EXPENSE** 23
20 **J. SUBSCRIPTIONS EXPENSE**..... 24
21 **K. MISCELLANEOUS EXPENSE** 24
22 **IX. SUMMARY OF EXHIBITS** 27

23
24
25
26
27
28
29

I. INTRODUCTION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

Q. Would you please state your name and business address?

A. My name is Katie L. Figgs. My business address is 1500 Southwest Arrowhead Road, Topeka, Kansas, 66604.

Q. By whom are you employed and in what capacity?

A. I am employed by the Kansas Corporation Commission (KCC or Commission) as a Managing Auditor.

Q. Would you please describe your educational background and business experience?

A. I received a Bachelor's of Business Administration with an emphasis in Accounting from Washburn University in May of 2011. I began employment with the Commission as a Regulatory Auditor in August 2012, and was promoted to my current position in August 2020.

Q. Have you ever testified before the Commission?

A. Yes. I have filed testimony before the Commission in Docket Nos. 12-LHPT-875-AUD, 13-JBNT-437-KSF, 13-PLTT-678-KSF, 14-ATMG-320-RTS, 14-S&TT-525-KSF, 15-MRGT-097-AUD, 15-WSEE-115-RTS, 15-TWVT-213-AUD, 16-ATMG-079-RTS, 17-RNBT-555-KSF, 18-WSEE-328-RTS, 18-KGSG-560-RTS, 19-EPDE-223-RTS, 19-GNBT-505-KSF, 20-UTAT-032-KSF, 20-BLVT-218-KSF, and 22-CRKT-087-KSF.

1 **Q. What were your responsibilities in the review of Columbus Communications**
2 **Services, LLC's (Applicant or Columbus) June 2, 2022, Application?**

3 A. My responsibilities as the lead auditor in this case were to analyze, audit, and review
4 Columbus' filing before the Commission to determine its cost-based Kansas Universal
5 Service Fund (KUSF) support to reflect its current revenue requirement and business
6 circumstances. I reviewed the Company's filing, requested and analyzed additional
7 information, and participated in an on-site review at the Company's headquarters in
8 Columbus, Kansas, to inspect records, tour the Company's facilities, and to confer with
9 Columbus' management and consultants. In addition, I calculated and am sponsoring
10 selected Staff adjustments to Columbus' Pro Forma Rate Base and Income Statement, as
11 well as Staff's schedules. My duties were carried out under the direction of the Deputy
12 Chief of Revenue Requirements, Cost of Service, and Finance, Andria Jackson, and the
13 Chief of Revenue Requirements, Cost of Service, and Finance, Justin Grady.

14
15 **Q. What is the purpose of your testimony in this proceeding?**

16 A. The purpose of my testimony is to sponsor adjustments and schedules based on Staff's
17 review of Columbus' Application. My testimony will be presented in the following
18 manner:

- 19 ▪ Overview
- 20 ▪ Background
- 21 ▪ Staff Accounting Schedules
- 22 ▪ Rate Base Adjustments
- 23 ▪ Income Statement Adjustments

1 **Q. Please provide the list of Staff witnesses and a brief description of the testimony they**
2 **are sponsoring.**

3 A. Adam Gatewood: Mr. Gatewood sponsors testimony related to capital structure, cost of
4 long term debt, and return on equity.

5 Roxie McCullar: Ms. McCullar sponsors testimony related to the Federal
6 Communications Commission's separations process and the application of K.S.A. 66-
7 2008(e)(2) for Federal Universal Service Fund (FUSF) support.

8
9 **Q. How is the rest of your testimony organized?**

10 A. The remainder of my testimony is organized as follows:

11 **Overview** – I provide an overview, which presents a background of Columbus'
12 operations and the components of its KUSF filing.

13 **Analysis** – I discuss Staff's revenue requirement analysis. I also present a table of Staff's
14 adjustments to the pro forma rate base and income statement.

15 **Staff Schedules** – I describe Staff's accounting schedules detailing the elements of
16 Staff's proposed revenue requirement.

17 **Rate Base Adjustments**- I discuss Staff's Adjustments to Plant in Service, Accumulated
18 Depreciation, and Cash Working Capital, and the effect they have on the Company's
19 Rate Base.

20 **Income Statement Adjustments**- I discuss Staff's Adjustments to Depreciation
21 Expense, Payroll Expense, Employee Benefit & Payroll Tax Expense, Audit Expense,
22 Property Tax Expense, Advertising Expense, Dues, Donations, and Sponsorships,

1 Lobbying Expense, Travel and Training Expense, Subscription Expense, and
2 Miscellaneous Expenses, and the effect they have on the Company's Income Statement.

3
4 **II. OVERVIEW**

5
6 **Q. Please provide an overview of Columbus's corporate structure.**

7 A. Columbus Communications Services, LLC is a Kansas limited liability company that
8 provides local exchange telecommunication service, as a carrier of last resort that serves
9 approximately 856 access lines in Cherokee County in Southeastern Kansas. Columbus
10 provides regulated local exchange carrier services as well as non-regulated services
11 including long distance, cable television, and internet.

12 In response to a reorganization in 2012, the Applicant's predecessor and parent company,
13 Columbus Telephone Company, transferred local telecommunications property, assets,
14 responsibilities, Certificate of Convenience and Necessity, tariffs, ILEC obligations,
15 COLR obligations, and ETC designation to Columbus Communications Services, LLC.
16 The Commission approved the transfer by Order dated October 25, 2012, in Docket Nos.
17 12-COST-923-COC and 12-COST-924-CCS.

18
19 **Q. How do Columbus' local rates compare to other Local Exchange Carriers (LEC) in
20 the area?**

21 A. The residential and business rates for Columbus are relatively comparable to the other
22 LECs in the area. Once Columbus begins to receive KUSF support, Columbus will be
23 required to comply with Affordable Rates. Currently, Staff's calculated preliminary

1 Affordable Rates for residential and single line business are \$18.75 and \$21.25
2 respectively.¹ These Affordable Rates are currently being analyzed in Docket No. 23-
3 GIMT-261-GIT and a final order will be filed in January 2023.²

4
5 **Q. Has the Commission previously audited Columbus to determine its appropriate,**
6 **cost-based level of KUSF?**

7 A. No. This is the first time Columbus Communications Services, LLC has filed an
8 Application with the Commission requesting KUSF support. Although, Columbus'
9 predecessor, Columbus Telephone Company, has previously requested KUSF support.
10 On October 24, 2007, Columbus Telephone Company filed an abbreviated application
11 requesting KUSF support in Docket No. 08-CBST-400-KSF. On March 14, 2008, Staff
12 filed its report noting a mutual settlement was reached concluding that Columbus
13 Telephone Company should receive \$75,000 annually in KUSF support. The
14 Commission approved the settlement agreement by Order dated March 27, 2008.
15 However, the Company's KUSF support was eliminated, effective March 1, 2017, in
16 response to Commission Order dated January 19, 2017 in Docket No. 17-GIMT-008-
17 GIT.

18
19 **Q. What test year did Columbus use in its Application in this proceeding?**

20 A. Columbus used a test year ending December 31, 2021, with cost study and pro forma
21 adjustments to revenues, expenses, and plant in service to capture pro forma changes.

¹ Order Opening Docket; Establishing Procedural Schedule; Requiring Compliance Filings; and Requiring Entries of Appearance to Participate, ¶ 8, Docket No. 23-GIMT-261-GIT, Sep[t. 15, 2022.

² Id., Ordering ¶ G.

III. ANALYSIS

Q. What is Staff’s proposed level of cost-based KUSF support after incorporating Staff’s adjustments to the Company’s filed position?

A. The total effect of Staff’s recommended adjustments results in an intrastate revenue increase of \$371,764 and an equal increase to the Company’s current KUSF support. Therefore, Staff recommends the Commission set Columbus’ KUSF draw to \$371,764. Below is a chart comparing the Company’s filed position and Staff’s recommendation for net intrastate rate base, requested rate of return on assets, pro forma intrastate income, and the level of KUSF support.

Description	Columbus	Staff
Net Intrastate Rate Base	\$934,204	\$815,704
Rate of Return	9.75%	7.42%
Income (Loss)	(\$383,865)	(\$311,239)
Change in KUSF Support	\$474,950	\$371,764

Q. Please summarize the adjustments Staff is proposing in this Docket.

A. The following table presents a summarized list of Staff’s adjustments, witnesses, and the effect of the adjustments on Rate Base or Operating Income. For the Income Statement Adjustments presented in the table below, an increase in operating income results in a reduction of the revenue requirement, and vice versa. For instance, Staff’s Adjustment

1 No. IS-2 decreases depreciation expense by \$59,650, which increases operating income
2 by the same amount, and decreases the revenue requirement accordingly.

3

Adj No.	Witness	Description	Amount
RB-1	Katie Figgs	Update Plant in Service	\$38,256
RB-2	Katie Figgs	Update Accumulated Depreciation	(415,263)
RB-3	Katie Figgs	Cash Working Capital	369
IS-1	Roxie McCullar	Update FHCL Level	24,132
IS-2	Katie Figgs	Depreciation Expense	59,650
IS-3	Katie Figgs	Payroll Expense	340
IS-4	Katie Figgs	Employee Benefit & Payroll Tax Expense	177
IS-5	Katie Figgs	Audit Expense	18,984
IS-6	Katie Figgs	Property Tax Expense	6,495
IS-7	Katie Figgs	Corporate Image Advertising	5,991
IS-8	Katie Figgs	Dues, Donations, & Sponsorships	14,018
IS-9	Katie Figgs	Lobbying	1,290
IS-10	Katie Figgs	Travel & Training Expense	1,835
IS-11	Katie Figgs	Subscription Expense	2,650
IS-12	Katie Figgs	Miscellaneous Expense	8,373

4

5

6

7

- 1 ▪ A-3 calculates Cash Working Capital (CWC), as adjusted by the Company
- 2 and Staff.
- 3 ▪ A-4 contains an explanation of Staff’s rate base adjustments.
- 4 ▪ B-1 contains the test year income statement, as adjusted by the Company and
- 5 Staff, delineated on a total-company basis, separations factors, and amounts
- 6 allocated to the intrastate jurisdiction.
- 7 ▪ B-2 lists Staff’s individual adjustments to the Company’s pro forma test year
- 8 income statement.
- 9 ▪ B-3 contains an explanation of Staff’s adjustments to the income statement.
- 10 ▪ B-4-1 shows the calculation of the Company’s interest expense.
- 11 ▪ C-1 shows the Company’s test year and Staff adjusted capital structure.
- 12 ▪ C-2 lists Staff’s individual adjustments to the Company’s pro forma capital
- 13 structure.
- 14 ▪ C-3 contains an explanation of Staff’s adjustment to the capital structure.

15

16 **Q. Are Staff’s adjustments allocated to the interstate and intrastate jurisdictions prior**
17 **to inclusion in Staff’s schedules?**

18 A. No. Staff calculated its adjustments on a total company basis, with the adjustments
19 allocated between the interstate and intrastate jurisdictions, based on separations factors.
20 Some amounts, such as audit expense, are directly assigned to the appropriate
21 jurisdiction. Staff witness Roxie McCullar sponsors testimony regarding the review of
22 Columbus’ separations study.

23

VII. RATE BASE ADJUSTMENTS

A. PLANT-IN-SERVICE

Q. Please begin by discussing Staff Adjustment No. 1 to Rate Base.

A. Staff Adjustment No. 1 (RB-1) increases Columbus' Rate Base by \$38,256 on a total company basis or \$10,327 on an intrastate basis.³ Staff's adjustment updates the Company's plant balances included in the Application through June 30, 2022. Staff contends that it is appropriate to update this amount to ensure that Columbus' plant balances reflect the most updated ongoing investment available, thus more accurately calculating Columbus' cost of universal service. This ensures that Columbus has an opportunity to earn a 'return on' and a 'return of' plant that is currently being utilized to provide regulated telecommunications services, while ensuring that the Company does not continue to earn a return on or of plant that is no longer in service.

B. ACCUMULATED DEPRECIATION

Q. Please continue by discussing Staff Adjustment No. 2 to the Rate Base.

A. Staff Adjustment No. 2 (RB-2) decreases Columbus' Rate Base by reflecting the increase in the accumulated depreciation account by \$415,263 on a total company basis or \$128,956 on an intrastate basis.⁴ This adjustment updates accumulated depreciation through June 30, 2022. This approach corresponds with the time period through which

³ See Exhibit KLF-1 and KLF-1a.

⁴ See Exhibit KLF-2 and KLF-2a.

1 Staff updated plant balances in Adjustment RB-1 and is necessary for the synchronization
2 of plant in service balances with accumulated depreciation. Updating accumulated
3 depreciation ensures the proper amount of capital that has been returned to Columbus is
4 recognized and, therefore, a 'return on' is no longer needed.

5
6 **C. CASH WORKING CAPITAL**

7
8 **Q. Please discuss Staff's proposed adjustment to Cash Working Capital (CWC).**

9 A. Staff Adjustment No. 3 (RB-3) to Rate Base increases total company CWC by \$369 and
10 directly assigns to intrastate operations a CWC level of \$20,739.⁵ This adjustment
11 computes a CWC allowance using Staff's adjusted expense amounts and the standard
12 allowance method (SAM). This adjustment is shown on Schedule A-3 of the Staff
13 Accounting Schedules.

14 While CWC is usually calculated using a lead-lag study, Staff's calculation is based on
15 the 15-day standard allowance method. This methodology is consistent with the
16 Commission Order in Docket No. 01-SNKT-554-AUD (01-554 Docket), in which the
17 Commission stated that, while it prefers an individualized company lead-lag study, it
18 recognizes that such a study could be cost prohibitive to some companies. The
19 Commission also concluded that if a company uses the SAM to calculate CWC in its
20 filings with the Federal Communications Commission (FCC) and National Exchange
21 Carriers Association (NECA), the Commission will accept a company's use of the SAM

⁵ Staff's adjustment increases Columbus' CWC balance of \$60,435 by \$369, resulting in a total CWC balance of \$60,804. Of that amount, \$20,739 is then allocated to intrastate operations.

1 in these KUSF audits.⁶ Through discovery, Staff was able to verify that Columbus
2 utilizes the SAM to calculate CWC in its filings with the FCC and NECA. Therefore,
3 consistent with the Commission’s Order in the 01-544 Docket, Staff’s adjustment also
4 utilizes the same methodology in its CWC calculation.

5 Additionally, the Commission stated: “The Commission will not routinely adopt an
6 adjustment to the Standard Allowance Method, proposed either by the company or by
7 Staff, unless it reflects a factual circumstance of that company that has a material impact
8 on its CWC need and that is not otherwise captured in the methodology.”
9

10 **Q. Will the CWC requirement need to be updated if Staff’s adjusted income statement**
11 **changes?**

12 A. Yes. Any Commission decision that results in changes to Staff’s adjusted income
13 statement will also result in a change to Columbus’ CWC requirements.
14

15 **VIII. INCOME STATEMENT ADJUSTMENTS**

16 **A. DEPRECIATION EXPENSE**

17 **Q. Please continue by discussing Staff Adjustment No. 2 to the Income Statement.**

18
19 A. Staff Adjustment No. 2 (IS-2) decreases Columbus’ depreciation expense by \$59,650 on
20 a total company basis or \$15,048 on an intrastate basis.⁷ Staff calculates depreciation
21 expense on a going-forward basis based upon the plant account balances of Columbus’
22

⁶ *Order Setting Revenue Requirements*, 01-544 Docket, p. 25, ¶ 62 (Sept. 11, 2001).

⁷ See Exhibit KLF-3 and KLF-3a.

1 depreciable assets and accumulated depreciation reflected in Adjustment Nos. RB-1 and
2 RB-2. Staff multiplied its adjusted net depreciable plant balances by Columbus’
3 Commission-approved depreciation rates to yield an updated annualized depreciation
4 expense for each plant account. Staff’s annualized regulated depreciation expense is then
5 compared against Columbus’ annualized depreciation expense, with the difference being
6 Staff’s adjustment. Staff’s calculations are detailed on Exhibit KLF-3 and 3a. This
7 adjustment may change with any changes in the plant in service and accumulated
8 depreciation balances.

9
10 **B. PAYROLL EXPENSE**

11
12 **Q. Please continue by discussing Staff Adjustment No. 3 to the Income Statement.**

13 A. Staff Adjustment No. 3 (IS-3) decreases Columbus’ payroll expense by \$340 on a total
14 company basis or increases \$5,464 on an intrastate basis.^{8,9} Staff normalized test year
15 payroll using current salary information, and utilized current labor distribution, from the
16 pay period of January 1, 2022 through June 15, 2022. Staff’s total payroll adjustment
17 was then calculated from the difference between the account distributed pro forma wages
18 and the actual, account distributed wages recorded in the 2021 test year. The following
19 are the major factors contributing to Staff’s pro forma payroll expense from the test year
20 payroll expense:

21 1. Increase in labor related to non-regulated work; and

⁸ The outcome of a decrease on a total company basis and an increase on an intrastate basis is due to the intrastate separation factors. Specifically, on a total company basis, the decreases to accounts are allocate by a smaller separation factor, whereas the accounts increasing are allocated to a larger separation factor.

⁹ See Exhibit KLF-4 through KLF-4c.

1 2. Decrease in overtime labor.

2 Staff contends that annualizing actual wages from January 1, 2022 through June 15,
3 2022, is appropriate to establish the Company's most current level of overtime, position
4 levels, and plant and construction activities on a going-forward basis.

5
6 **Q. Does Staff have additional information regarding the reasonableness of the**
7 **Company's labor expenses?**

8 A. Yes. Staff prepared a comparative analysis of Columbus' employee compensation to
9 other similarly-sized phone companies. Staff's analysis is presented as confidential work
10 papers included in Staff Exhibits KLF-5 and KLF-5a.

11
12 **Q. Is Staff proposing an adjustment to the Company's payroll expense related to the**
13 **comparative analysis?**

14 A. No, Staff has prepared the comparative analysis for informational purposes to aid the
15 Commission in its determination of the reasonableness of the level of labor costs the
16 Company is seeking to be recovered from the KUSF. Staff's analysis shows that all 10 of
17 Columbus' employees that allocate time to the regulated side of the business, are below
18 or within the 2022 NTCA Compensation + Benefits Report's midrange. Therefore, Staff
19 contends that Columbus employees are compensated fairly and within a reasonable range
20 to provide Universal service.

1 **C. EMPLOYEE BENEFIT AND PAYROLL TAX EXPENSE**

2

3 **Q. Please continue by discussing Staff Adjustment No. 4 to the Income Statement.**

4 A. Staff Adjustment No. 4 (IS-4) decreases Columbus' employee benefit and payroll tax
5 expense by \$177 on a total company basis or increases \$1,499 on an intrastate basis.^{10,11}
6 Staff's adjustment updates the Company's current employee benefit and payroll tax
7 expenses, including employer contributions to employee retirement, group health plans,
8 and FICA and Medicare payroll taxes. Staff utilized the updated labor distribution
9 calculated in Staff Exhibit KLF-4b to allocate these expenses.

10

11 **D. AUDIT EXPENSE**

12

13 **Q. Please continue by discussing Staff Adjustment No. 5 to the Income Statement.**

14 A. Staff Adjustment No. 5 (IS-5) decreases Columbus' operating expense by \$18,984.¹²
15 This adjustment is necessary to include actual audit expense incurred as of September 17,
16 2022, to reflect expenses incurred in this Docket.

17

18 **Q. Please explain how Staff calculated its adjustment for audit expense.**

19 A. Staff's adjustment reflects a total of Columbus' audit expense and Staff's audit expense.

20 According to the updated response to Staff Data Request No. 34, Columbus has incurred

¹⁰ See Exhibit KLF-6 through KLF-6d.

¹¹ As stated in footnote 6, the outcome of a decrease on a total company basis and an increase on an intrastate basis is due to the intrastate separation factors. Specifically, on a total company basis, the decreases to accounts are allocate by a smaller separation factor, whereas the accounts increasing are allocated to a larger separation factor.

¹² See Exhibit KLF-7.

1 \$53,036 of external consulting services and legal fees related to this Docket through
2 September 12, 2022. TCA's final billing for work completed in September is not yet
3 complete, and therefore, has not been included. Staff acknowledges that its adjustment
4 does not fully recognize the costs that may have been incurred by Columbus; however,
5 the adjustment does recognize all invoices Staff has received from the Company to date.
6 According to the Commission's fiscal department, the maximum assessment for
7 Columbus for the fiscal year is \$5,594. This amount was calculated pursuant to K.S.A.
8 66-1502 (a), which provides a maximum annual assessment of 0.6% of intrastate
9 revenues for any public utility or common carrier under the jurisdiction of the
10 Commission. Since Columbus has paid a total of \$3,552 in assessments to date, the
11 remaining maximum assessment for the fiscal year is \$2,042. Actual Staff expenses
12 incurred for this Docket total \$33,343 through September 17, 2022. Therefore, because
13 Staff's actual expenses are greater than the allowable remaining assessment, the audit
14 expense reflected in Staff's audit expense calculation is the remaining maximum
15 assessment amount of \$2,042. The sum of Columbus' invoices and Staff's remaining
16 maximum assessment amount over a five-year period, results in an annual audit expense
17 amortization of \$11,016. Staff then compared this amount with the estimated rate case
18 expense included in Columbus' Application, with the difference being Staff's adjustment.

19
20 **Q. Should the Commission reduce Columbus' KUSF support once the audit expense**
21 **has been fully recovered?**

22 **A.** Yes. Staff recommends that the Commission reduce Columbus' approved KUSF draw
23 by the audit expense amortization at the end of the amortization period. This

1 recommendation is consistent with the Commission Order in Craw-Kan Telephone
2 Cooperative, Inc.'s (Craw-Kan) KUSF filing in Docket No. 13-CRKT-268-KSF (13-268
3 Docket), which states:

4 With regard to Craw-Kan's audit expense, the Commission agrees that audit
5 expense should be recovered over a five-year amortization period. However,
6 once these expenses have been fully covered, Craw-Kan's KUSF support should
7 be reduced accordingly by removing any portions relating to audit expense. This
8 provision ensures Craw-Kan will recover the full amount of its audit expense but
9 does not over-recover from the KUSF.¹³
10

11
12 **E. PROPERTY TAX EXPENSE**

13
14 **Q. Please continue by discussing Staff Adjustment No. 6 to the Income Statement.**

15 A. Staff Adjustment No. 6 (IS-6) decreases Columbus' operating expenses by \$6,495 on a
16 total company basis, or \$2,051 on an intrastate basis.¹⁴ Staff's adjustment to property
17 taxes is comprised of two components. The first component is Staff's calculation of
18 Columbus' 2021 property tax expense, which is derived by taking the sum of Columbus'
19 2021 property tax statements totaling \$35,054 less its 2021 Kansas Telecom Credit
20 totaling \$6,542. The second component is Staff's calculation of property tax expense
21 allocable to the non-regulated portion of Columbus' general support assets and plant
22 assets. In determining the amount of property tax to be allocated to non-regulated assets,
23 Staff took the Company's total plant in service balances as of December 31, 2021, and
24 then applied Staff's allocation factors, as discussed in the testimony of Staff witness

¹³ *Order Granting Joint Motion for Approval of Craw-Kan's Annual Cost-Based KUSF Support and for Approval of Additional Requirements*, 13-268 Docket, p. 5, ¶16 (Apr. 17, 2013).

¹⁴ See Exhibit KLF-8.

1 Roxie McCullar, to determine the appropriate percentage of regulated general support
2 assets. Additionally, Staff also calculated the percentage of regulated assets applicable to
3 digital switching, circuit equipment, and buried cable. As depicted in Exhibit KLF-7(b),
4 this resulted in an overall regulated percentage of 99.27%. This regulated percentage was
5 then applied to Staff's adjusted 2021 property tax expense, resulting in a total of \$28,303
6 of regulated property taxes recoverable through the KUSF. Staff's adjusted 2021
7 regulated property tax expense is then compared to Columbus' normalized property tax
8 expense of \$34,798, with the difference being Staff's adjustment.

9
10 **F. ADVERTISING EXPENSE**

11
12 **Q. Please continue by discussing Staff Adjustment No. 7 to the Income Statement.**

13 A. Staff Adjustment No. 7 (IS-7) decreases Columbus' operating expenses by \$5,991 on a
14 total company basis, or \$3,153 on an intrastate basis.¹⁵ Staff's adjustment removes 100%
15 of expenses related to corporate image and goodwill advertising that Staff contends are not
16 necessary to provide sufficient and efficient regulated telephone service. As supported by
17 prior Commission Order,¹⁶ these expenses are inappropriate for recovery through the
18 KUSF support mechanism.

¹⁵ See Exhibit KLF-9.

¹⁶ *Order Setting Revenue Requirement*, Docket No. 01-RRLT-083-AUD, ¶ 32 (June 25, 2001).

1 **G. DUES, DONATIONS, AND SPONSORSHIPS**

2

3 **Q. Please continue by discussing Staff Adjustment No. 8 to the Income Statement.**

4 A. Staff Adjustment No. 8 (IS-8) decreases Columbus' operating expenses by \$14,018 on a
5 total company basis, or \$5,963 on an intrastate basis.¹⁷ Staff's adjustment removes 100%
6 of dues, donations, and sponsorships made by Columbus to local charitable, civic, and
7 social organizations and entities. Specifically, Staff's adjustment eliminates: (1)
8 organizational dues, as well as a newspaper subscription and annual membership fees; (2)
9 charitable donations made to various local fundraisers; and (3) sponsorships of community
10 events. As discussed in greater detail below, these expenses are not necessary to provide
11 sufficient and efficient regulated telephone service.

12

13 **Q. Please provide a more detailed explanation of why Staff is recommending 100%**
14 **removal of dues and donations.**

15 A. In the past, Staff has made recommendations to remove a portion of dues and donations
16 pursuant to K.S.A. 66-1,193(a), which allows the Commission to adopt a policy of
17 disallowing up to 50% of utility dues, donations and contributions to charitable, civic and
18 social organizations and entities, in addition to completely disallowing specific dues,
19 donations and contributions which are found unreasonable or inappropriate. However, in
20 this Docket and going forward, Staff is recommending the Commission disallow these
21 types of expenses from being recovered through KUSF support in light of the 2018 Order

¹⁷ See Exhibit KLF-10.

1 approved by the Federal Communications Commission (FCC).¹⁸ Specifically, paragraph
2 28 of the FCC Order states:

3 *Expenses Unrelated to Operations.* – We next codify the existing prohibitions on
4 recovering support for expenses unrelated to operations – including political
5 contributions, charitable donations, scholarships, membership fees and dues in
6 clubs and organizations, sponsorships of conferences or community events, and
7 penalties or fines for statutory or regulatory violations, penalties or fees for late
8 payments on debt, loans, or other payments – from high-cost support... Expenses
9 unrelated to operations, however, are not currently included in these high-cost
10 support calculations. Instead, under our current rules, “nonoperating expenses” –
11 including political contributions, contributions for charitable, social, or community
12 welfare purposes, membership fees and dues in social, service and recreational or
13 athletic clubs and organizations, and penalties and fines on account of violations of
14 statutes – are recorded in Account 7300, presumed excluded from the costs of
15 service in setting rates, and not included in high-cost support calculations. Expenses
16 unrelated to operations have historically not been recoverable from high-cost
17 support because by definition these expenses are not operational in nature and are
18 ancillary to core business objectives. Expenses must fall within the scope of the
19 statutory requirement that support be used “only for the provision, maintenance,
20 and upgrading of facilities and services for which support is intended.”¹⁹
21

22 Furthermore, the disallowance of these expenses are further discussed and reiterated in
23 paragraphs 31 and 32 of the FCC Order, which states in part:

24 Charitable donations and scholarships are expenses unrelated to operations that
25 may not be recovered from high-cost support. We recognize the benefits charitable
26 donations provide to the community... [h]owever, charitable donations are
27 unrelated to the provision, maintenance, and upgrading of facilities and services for
28 which the high-cost support is intended.²⁰
29

30 Membership fees and dues in clubs and organizations, including social, service, and
31 recreational or athletic clubs and organizations, as well as trade associations and
32 organizations that provide professional or trade certifications such as state bar
33 associations, are expenses unrelated to operations excluded from high-cost
34 support... We recognize the educational and training benefits that trade associations
35 provide and that membership in chambers of commerce may help stimulate
36 business. However, as other commenters acknowledge, a function of many of these
37 organizations is advocacy on behalf of their members for the purpose of influencing

¹⁸ *Report and Order, Third Order on Reconsideration, and Notice of Proposed Rulemaking*, FCC 18-29 (Mar. 23, 2018), (2018 FCC Order) See <https://docs.fcc.gov/public/attachments/FCC-18-29A1.pdf>.

¹⁹ *Ibid.*, pp. 13-14.

²⁰ *Ibid.*, p. 15.

1 public policy which is not used for the provision, maintenance, and upgrading of
2 facilities and services for which support is intended. Just as ETCs may not recover
3 lobbying expenses under our rules, similarly, they may not recover membership
4 fees in organizations that engage in lobbying. Further, professional affiliations or
5 certifications such as state bar associations, accounting associations, or other
6 professional groups may facilitate general corporate functions but are not used only
7 for the provision of supported facilities and services.²¹
8

9 Therefore, consistent with the FCC's ruling on these types of unrelated operational
10 expenses and to prevent the KUSF from subsidizing expenses not recovered via the federal
11 universal service fund high-cost support mechanisms, Staff finds these expenses
12 inappropriate to recover from the KUSF as they are unnecessary for the provision of
13 sufficient and efficient universal service.
14

15 **H. LOBBYING EXPENSE**

17 **Q. Please continue by discussing Staff Adjustment No. 9 to the Income Statement.**

18 A. Staff Adjustment No. 9 (IS-9) decreases Columbus' operating expenses by \$1,290 on a
19 total company basis, or \$452 on an intrastate basis.²² Staff's adjustment removes the
20 lobbying expenses recorded by Columbus during the test year. The Commission has
21 historically disallowed political contributions, lobbying, and legislative expenses as costs
22 that cannot be recovered from customers or through KUSF support. Lobbying is not
23 necessary for the provision of safe and reliable utility service and benefits the Company,
24 not ratepayers. Staff's adjustment is consistent with past Commission practice to remove
25 all expenses related to lobbying that are included in the cost of service.²³

²¹ *Ibid.*, pp. 15-16.

²² See Exhibit KLF-11.

²³ *Order Setting Revenue Requirements*, Docket No. 01-RRLT-083-AUD, p. 10, ¶29 (Jun. 26, 2001).

1 **I. TRAVEL AND TRAINING EXPENSE**

2

3 **Q. Please continue by discussing Staff Adjustment No. 10 to the Income Statement.**

4 A. Staff Adjustment No. 10 (IS-10) decreases Columbus' operating expenses by \$1,835 on a
5 total company basis, or \$605 on an intrastate basis.²⁴ Staff's adjustment removes a portion
6 of employee travel and training expenses related to conferences covering topics associated
7 with Columbus' non-regulated services. During the test year, four Columbus employees
8 traveled to attend industry conferences for training opportunities which includes the
9 following:

- 10 • Mid-America Telecom Showcase and Seminar (MATSS);
- 11 • Communication Coalition of Kansas;
- 12 • Training with Kansas Telecom Accountants (TASK); and
- 13 • TCA Financial Seminar.

14

15 **Q. Please discuss Staff's removal of travel and training expenditures related to non-**
16 **regulated services.**

17 A. For each conference attended during the test year, Staff removed 50% of registration fees,
18 lodging expense, and fuel costs that covered both regulated and non-regulated service
19 topics and for training seminars that benefit both regulated and non-regulated operations.

20

21

²⁴ See Exhibit KLF-12.

1 **J. SUBSCRIPTIONS EXPENSE**

2

3 **Q. Please continue by discussing Staff Adjustment No. 11 to the Income Statement.**

4 A. Staff Adjustment No. 11 (IS-11) decreases Columbus' operating expenses by \$2,650 on a
5 total company basis, or \$947 on an intrastate basis.²⁵ Staff's adjustment removes 100% of
6 the subscription expense for Hulu (\$70.84) and YouTube TV (\$70.19), and 50% of the
7 subscription expense for GSuite (\$162), Adobe Pro (\$74.08), and Adobe EchoSign (\$150).
8 In the response to Staff Data Request No. 80, Columbus states that Hulu and YouTube TV
9 subscriptions are utilized in the front office and waiting area for customer comfort and
10 convenience. Staff contends that these subscriptions are not necessary to provide sufficient
11 and efficient regulated telephone service and should not be recovered through KUSF
12 support. While Staff views GSuite, Adobe Pro, and Adobe EchoSign subscriptions as
13 reasonable business expenses to be recovered, a portion of the costs should be allocated to
14 Columbus' unregulated business. These programs provide benefits for all of Columbus'
15 businesses and, therefore, a portion of the expenses should be allocated accordingly.

16

17 **K. MISCELLANEOUS EXPENSE**

18

19 **Q. Please continue by discussing Staff Adjustment No. 12 to the Income Statement.**

20 A. Staff Adjustment No. 12 (IS-12) decreases Columbus' operating expenses by \$8,373 on a
21 total company basis, or \$2,738 on an intrastate basis.²⁶ This adjustment eliminates certain
22 miscellaneous expenses recorded by Columbus during the test year. More specifically, this

²⁵ See Exhibit KLF-13.

²⁶ See Exhibit KLF-14.

1 adjustment removes: (1) Employee Apple Watches expense totaling \$6,327; (2) employee
2 refreshments, candy, plates, cups, and utensils expense totaling \$1,527; (3) entertainment
3 and gift expenses totaling \$709; and (4) a late fee of \$200. In response to Staff Data
4 Request No. 77, Columbus states that the Apple watches were purchased for all employees
5 to provide health and wellness benefits during the pandemic, as well as a safety benefit for
6 employees when on-call. However, Staff considers the employee Apple watches as a gift
7 related to employee appreciation and is not necessary to provide sufficient and efficient
8 regulated telephone service. In addition, Staff contends that the employee refreshments,
9 candy, plates, cups, utensils, gifts, and entertainment/party expenses are personal and/or
10 entertainment-related expenses and should not be recovered through the KUSF support.
11 This is discussed in greater detail below.

12
13 **Q. Does the FCC address personal expenses in its 2018 Order referenced above?**

14 A. Yes. The portion of Staff's adjustment related to personal and/or entertainment related
15 expenses is consistent with prior recommendations made by Staff in other dockets, as well
16 as the 2018 FCC Order. The FCC specifically addresses these types of expenses in
17 paragraph 19 of the Order, which states:

18 [w]e codify the existing prohibition on recovery from the high-cost program for
19 personal expenses of employees, board members, family members of employees
20 and board members, contractors, or any other individuals affiliated with the ETC,
21 including but not limited to personal expenses for personal travel, personal vehicles,
22 housing, such as rent, mortgages, or housing allowances, childcare, employee gifts,
23 and entertainment-related expenses including food and beverage, regardless of
24 whether such expenses are paid directly by the individual or indirectly by the carrier
25 in the form of allowances or gifts. Personal expenses are clearly not used for the
26 provision of supported services and thus may not be recovered through high-cost
27 support. Furthermore, we caution recipients of high-cost support that recovering
28 these types of expenses from high-cost support may constitute outright fraud, waste,

1 and abuse on the Fund, subjecting employees, executives, and board members to
2 personal civil and criminal liability.²⁷
3

4 **Q. Does this conclude your testimony?**

5 A. Yes, thank you.
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

²⁷ 2018 FCC Order, p. 10.

IX. SUMMARY OF EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
KLF-1	Work paper for Plant in Service Adjustment
KLF -1a	Work paper for calculation of Staff Plant in Service Adjustment
KLF-2	Work paper for Accumulated Depreciation Adjustment
KLF-2a	Work paper for calculation of Staff Accumulated Depreciation Adjustment
KLF-3	Work paper for Depreciation Expense Adjustment
KLF-3a	Detail paper for Depreciation Expense Adjustment
KLF-4	Work paper for Payroll Expense Adjustment
KLF-4a	Summary for Payroll Expense Adjustment
KLF-4b	Detail paper for Updated Labor Distribution
KLF-4c	Detail paper for Test Year Labor Distribution
KLF-5	Payroll Analysis
KLF-5a	Salary + Bonus Comparison by Position
KLF-6	Work paper for Employee Benefit & Payroll Tax Expense Adjustment
KLF-6a	Employee Benefit & Payroll Tax Expense Adjustment Distribution
KLF-6b	Summary for Employee Benefit & Payroll Tax Expense Adjustment
KLF-6c	Detail paper for Employee Benefit Expense Adjustment
KLF-6d	Detail paper for Payroll Tax Expense Adjustment
KLF-7	Work paper for Audit Expense Adjustment
KLF-8	Work paper for Property Tax Expense Adjustment
KLF-8a	Detail work paper for 2021 Property Tax Expense Adjustment
KLF-8b	Detail work paper for Property Tax Regulated Percentage Calculation

- | | | |
|---|--------|---|
| 1 | KLF-9 | Work paper for Advertising Expense Adjustment |
| 2 | KLF-10 | Work paper for Dues, Donations, and Sponsorships Adjustment |
| 3 | KLF-11 | Work paper for Lobbying Expense Adjustment |
| 4 | KLF-12 | Work paper for Travel and Training Expense Adjustment |
| 5 | KLF-13 | Work paper for Subscriptions Expense Adjustment |
| 6 | KLF-14 | Work paper for Miscellaneous Expense Adjustment |

Columbus Communications Services, LLC
 Plant in Service
 Rate Base Adjustment No. 1
 Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
 Exhibit KLF-1

Line No.	Acct	Description	Staff Adjustment to Update Plant Balance	Staff Regulated Percentage	Staff Regulated Plant Adjustment	Intrastate Separations	Intrastate Adjustment
1	2121.000	Buildings	7,768	95.29%	7,402	0.315845	2,338
2	2122.000	Furniture/Office Equipment	1,240	95.29%	1,182	0.315845	373
3	2124.000	General Purpose Computers	2,082	95.29%	1,984	0.315845	627
4	2232.500	Circuit Equipment - FTTH	17,977	100%	17,977	0.176441	3,172
5	2423.000	Buried Cable	2,910	100%	2,910	0.393137	1,144
6	2423.300	Buried Fiber Cable	6,800	100%	6,800	0.393137	2,673
7			<u>\$ 38,778</u>		<u>\$ 38,256</u>		<u>\$ 10,327</u>

Source: Exhibit KLF-1a

Columbus Communications Services, LLC
 Plant in Service
 Rate Base Adjustment No. 1
 Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
 Exhibit KLF-1a

Line No.	Acct	Description	(A) Plant Book Balance Per Application	(B) Company Cost Study Adjustments	(C) Company Normalizing Adjustments	(D) Company Normalized Balance	(E) Trial Balance as of June 30, 2021	(F) Staff Adjustment to Plant Balance	(G) Staff Adjusted Plant Balance
						(a) + (b) + (c)	(e) - [(a) + (c)]	(d) + (f)	
General Support Assets									
1	2111.000	Land	10,893	(513)	-	10,380	10,893	-	10,380
2	2112.000	Motor Vehicles	10,647	(502)	-	10,145	10,647	-	10,145
3	2114.000	Other Work Equipment	356,128	(16,776)	-	339,352	356,128	-	339,352
4	2121.000	Buildings	1,124,100	(52,953)	-	1,071,147	1,131,869	7,768	1,078,916
5	2122.000	Furniture/Office Equipment	83,311	(3,925)	-	79,386	84,551	1,240	80,626
6	2124.000	General Purpose Computers	57,210	(2,695)	-	54,515	59,292	2,082	56,597
7		Total General Support Facilities	1,642,290	(77,364)	-	1,564,926	1,653,380	11,090	1,576,016
Central Office Assets									
8	2212.000	Digital Central Office Equipment	55,601	-	-	55,601	55,601	(0)	55,601
9	2212.100	Central Office Equipment - Soft Switch	488,505	9,786	-	498,291	488,505	(0)	498,291
10	2232.100	Circuit Equipment - EAS	20,723	-	-	20,723	20,723	0	20,723
11	2232.200	Circuit Equipment - Subscriber	34,248	-	-	34,248	34,248	(0)	34,248
12	2232.300	Circuit Equipment - Intrxchg	20,938	-	-	20,938	20,938	0	20,938
13	2232.400	Circuit Equipment - FTTH Wave7	-	-	-	-	-	-	-
14	2232.500	Circuit Equipment - FTTH	3,686,478	(9,786)	-	3,676,692	3,704,455	17,977	3,694,669
15		Total Central Office Equipment	4,306,493	-	-	4,306,493	4,324,470	17,977	4,324,470
Cable & Wire Facilities Assets									
16	2422.200	EAS Fiberoptic Cable	9,507	-	-	9,507	9,507	(0)	9,507
17	2422.300	Underground Fiber Cable - FTTH	1,645,923	-	-	1,645,923	1,645,923	0	1,645,923
18	2423.000	Buried Cable	13,781	-	-	13,781	16,691	2,910	16,691
19	2423.300	Buried Fiber Cable	951,829	-	-	951,829	958,629	6,800	958,629
20	2423.310	Buried Cable - FTTH	18,278	-	-	18,278	18,278	0	18,278
21	2441.000	Conduit Systems	1,942,293	-	-	1,942,293	1,942,293	0	1,942,293
22		Total Cable & Wire Facilities	4,581,611	-	-	4,581,611	4,591,323	9,712	4,591,323
23	2690.000	Intangibles	-	-	-	-	-	-	-
24		Total Regulated Plant	\$ 10,530,394	\$ (77,364)	\$ -	\$ 10,453,030	\$ 10,569,172	\$ 38,779	\$ 10,491,808

Sources: Columbus Communications Services, LLC's Application, Section 4
 Columbus Communications Services, LLC's Response to Staff Data Request No. 4, Trial Balance
 Columbus Communications Services, LLC's Response to Staff Data Request No. 93, Updated Trial Balance

Columbus Communications Services, LLC
Accumulated Depreciation
Rate Base Adjustment No. 2
Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
Exhibit KLF-2

Line No.	Description	Total Company	Intrastate Separations	Intrastate Adjustment
1	Staff Adjustment to Accumulated Depreciation (Acct. 3100)	\$ 415,263	0.310540	\$ 128,956
		(A)	(B)	(C)
Line No.	Account Description	Staff Adjustment to Accum. Depr.	Staff Regulated %	Staff Regulated Accum. Depr. Adjustment
	General Support Assets			
2	3121.120 Motor Vehicles	0	95.29%	0
3	3121.160 Other Work Equipment	11,337	95.29%	10,803
4	3121.210 Buildings	28,260	95.29%	26,929
5	3121.220 Furniture/Office Equipment	6,532	95.29%	6,224
6	3121.240 General Purpose Computers	2,082	95.29%	1,984
7	Total General Support Facilities	\$ 48,211		\$ 45,941
	Central Office Equipment			
8	3122.100 Digital Central Office Equipment	(0)	100%	(0)
9	3122.200 COE Soft Switch	26,548	100%	26,548
10	3122.320 Circuit Equipment - EAS	0	100%	0
11	3122.330 Circuit Equipment - Sub	2,739	100%	2,739
12	3122.340 Circuit Equipment - Intrxchg	0	100%	0
13	3122.350 Circuit Equipment - FTTH Wave7	(0)	100%	(0)
14	3122.360 Circuit Equipment - FTTH	262,824	100%	262,824
15	Total Central Office Transmission	\$ 292,111		\$ 292,111
	Cable & Wire Facilities Assets			
16	3124.225 EAS Fiberoptic Cable	(0)	100%	(0)
17	3124.230 Buried Cable	405	100%	405
18	3124.233 Buried Fiber Cable	27,095	100%	27,095
19	3124.310 Buried Cable FTTH	0	100%	0
20	3141.000 Conduit Systems	5,467	100%	5,467
21	3421.230 Underground Fiber Cable FTTH	44,243	100%	44,243
22	Total Cable & Wire Facilities Assets	\$ 77,211		\$ 77,211
23	Intangibles	-	100%	-
24	Total Accumulated Depreciation	\$ 417,534		\$ 415,263

Source: Exhibit KLF-2a

Columbus Communications Services, LLC
Accumulated Depreciation
Rate Base Adjustment No. 2
Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
Exhibit KLF-2a

Line No.	Account	Description	(A) Company Book Balance Per Application	(B) Company Cost Study Adjustments	(C) Company Normalizing Adjustments	(D) Company Normalized Balance (a) + (b) + (c)	(E) Trial Balance as of June 30, 2021	(F) Staff Adjustment to Accum. Depr. (e) - [(a) + (c)]	(G) Staff Adjusted Accum. Depr. (d) + (f)
General Support Assets									
1	3121.120	Motor Vehicles	10,647	(502)	-	10,145	10,647	0	10,145
2	3121.160	Other Work Equipment	344,791	(16,242)	-	328,549	356,128	11,337	339,886
3	3121.210	Buildings	578,124	(27,234)	-	550,890	606,384	28,260	579,150
4	3121.220	Furniture/Office Equipment	65,182	(3,071)	-	62,111	71,714	6,532	68,643
5	3121.240	General Purpose Computers	57,210	(2,695)	-	54,515	59,292	2,082	56,597
6		Total General Support Facilities	1,055,954	(49,744)	-	1,006,210	1,104,165	48,211	1,054,421
Central Office Equipment									
7	3122.100	Digital Central Office Equipment	55,601	-	-	55,601	55,601	(0)	55,601
8	3122.200	COE Soft Switch	269,938	5,855	-	275,793	296,486	26,548	302,341
9	3122.320	Circuit Equipment - EAS	20,723	-	-	20,723	20,723	0	20,723
10	3122.330	Circuit Equipment - Sub	5,480	-	-	5,480	8,219	2,739	8,219
11	3122.340	Circuit Equipment - Intrxchg	20,938	-	-	20,938	20,938	0	20,938
12	3122.350	Circuit Equipment - FTTH Wave7	4,265	(4,265)	-	-	4,265	(0)	(0)
13	3122.360	Circuit Equipment - FTTH	2,886,292	(1,590)	-	2,884,702	3,149,116	262,824	3,147,526
14		Total Central Office Equipment	3,263,237	-	-	3,263,237	3,555,348	292,111	3,555,348
Cable & Wire Facilities Assets									
15	3124.225	EAS Fiberoptic Cable	9,507	-	-	9,507	9,507	(0)	9,507
16	3124.230	Buried Cable	1,298	-	-	1,298	1,703	405	1,703
17	3124.233	Buried Fiber Cable	644,727	-	-	644,727	671,822	27,095	671,822
18	3124.310	Buried Cable FTTH	18,278	-	-	18,278	18,278	0	18,278
19	3141.000	Conduit Systems	1,936,826	-	-	1,936,826	1,942,293	5,467	1,942,293
20	3421.230	Underground Fiber Cable FTTH	839,226	-	-	839,226	883,469	44,243	883,469
21		Total Cable & Wire Facilities Assets	3,449,862	-	-	3,449,862	3,527,073	77,211	3,527,073
22	3690	Intangibles	-	-	-	-	-	-	-
23		Total Accumulated Depreciation	\$ 7,769,053	\$ (49,744)	\$ -	\$ 7,719,309	\$ 8,186,587	\$ 417,534	\$ 8,136,843

Sources: Columbus Communications Services, LLC's Application, Section 5
Columbus Communications Services, LLC's Response to Staff Data Request No. 4, Trial Balance
Columbus Communications Services, LLC's Response to Staff Data Request No. 93, Updated Trial Balance

Columbus Communications Services, LLC
 Depreciation Expense
 Income Statement Adjustment No. 2
 Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
 Exhibit KLF-3

Line No.	Description	Total Company	Intrastate Separations	Intrastate Adjustment
1	Staff Adjustment to Depreciation Expense (Acct. 6560)	<u>\$ (59,650)</u>	0.252269	<u>\$ (15,048)</u>
<u>Breakdown of Adjustment:</u>				
2	Staff normalized regulated depreciation expense		\$ 817,302	
3	Columbus' depreciation expense pro forma	<u>\$ 876,952</u>		
4	Columbus' Pro Forma Depreciation after Staff Adjustment		<u>876,952</u>	
5	Staff Adjustment to Depreciation Expense (Acct. 6560)		<u>\$ (59,650)</u>	

Sources: Columbus Communications Services, LLC's Application, Section 9
 Exhibit KLF-3a

Columbus Communications Services, LLC
 Depreciation Expense Detail
 Income State Adjustment No. 2
 Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
 Exhibit KLF-3a

Line No.	Plant FERC Account	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)
		Plant Book Balance	Cost Study Adjustment	Normalizing Adjustment	Staff Adjustment	Staff Adjusted Gross Plant	Acc. Dep. Book Balance	Cost Study Adjustment	Normalizing Adjustment	Staff Adjustment	Staff Adjusted Acc. Dep.	Staff Adjusted Net Book	Depreciation Rate	Annual Depreciation	Staff Annualized Depreciation	Staff's Regulated Percentage	Staff's Regulated Depreciation
					See exhibit KLF-1a	(a) + (b) + (c) + (d)						See exhibit KLF-2a	(f) + (g) + (h) + (i)	(e) + (j)	(e) * (l)	(n) * (o)	
1	2111.000	Land	10,893	(513)	-	-	10,380	-	-	-	-	10,380	0.00%	-	-	95.29%	-
2	2112.000	Motor Vehicles	10,647	(502)	-	-	10,145	(10,647)	502	(0)	(10,145)	-	26.27%	2,665	-	95.29%	-
3	2114.000	Other Work Equipment	356,128	(16,776)	-	-	339,352	(344,791)	16,242	(11,337)	(339,886)	-	23.98%	81,377	-	95.29%	-
4	2121.000	Buildings	1,124,100	(52,953)	-	7,768	1,078,916	(578,124)	27,234	(28,260)	(579,150)	499,766	5.02%	54,162	54,162	95.29%	51,611
5	2122.000	Furniture/Office Equipment	83,311	(3,925)	-	1,240	80,626	(65,182)	3,071	(6,532)	(68,643)	11,983	15.56%	12,545	11,983	95.29%	11,418
6	2124.000	General Purpose Computers	57,210	(2,695)	-	2,082	56,597	(57,210)	2,695	(2,082)	(56,597)	-	18.58%	10,516	-	95.29%	-
7		Total General Support Facilities	1,642,290	(77,364)	-	11,090	1,576,016	(1,055,954)	49,744	(48,211)	(1,054,421)	522,128		161,264	66,144		63,029
8	2212.000	Digital Central Office Equipment	55,601	-	-	(0)	55,601	(55,601)	-	0	(55,601)	-	11.58%	6,439	-	100%	-
9	2212.100	Central Office Equipment - Soft Switch	488,505	9,786	-	(0)	498,291	(269,938)	(5,855)	(26,548)	(302,341)	195,950	11.58%	57,702	57,702	100%	57,702
10	2232.100	Circuit Equipment - EAS	20,723	-	-	0	20,723	(20,723)	-	(0)	(20,723)	-	16.00%	3,316	-	100%	-
11	2232.200	Circuit Equipment - Subscriber	34,248	-	-	(0)	34,248	(5,480)	-	(2,739)	(8,219)	26,029	16.00%	5,480	5,480	100%	5,480
12	2232.300	Circuit Equipment - Intrchg	20,938	-	-	0	20,938	(20,938)	-	(0)	(20,938)	-	16.00%	3,350	-	100%	-
13	2232.400	Circuit Equipment - FTTH Wave7	-	-	-	-	-	(4,265)	4,265	0	0	0	16.00%	-	-	100%	-
14	2232.500	Circuit Equipment - FTTH	3,686,478	(9,786)	-	17,977	3,694,669	(2,886,292)	1,590	(262,824)	(3,147,526)	547,143	16.00%	591,147	547,143	100%	547,143
15		Total Central Office Equipment	4,306,493	-	-	17,977	4,324,470	(3,263,237)	-	(292,111)	(3,555,348)	769,122		667,433	610,324		610,324
16	2422.200	EAS Fiberoptic Cable	9,507	-	-	(0)	9,507	(9,507)	-	0	(9,507)	-	5.68%	540	-	100%	-
17	2422.300	Underground Fiber Cable - FTTH	1,645,923	-	-	0	1,645,923	(839,226)	-	(44,243)	(883,469)	762,454	5.38%	88,551	88,551	100%	88,551
18	2423.000	Buried Cable	13,781	-	-	2,910	16,691	(1,298)	-	(405)	(1,703)	14,988	5.68%	948	948	100%	948
19	2423.300	Buried Fiber Cable	951,829	-	-	6,800	958,629	(644,727)	-	(27,095)	(671,822)	286,807	5.68%	54,450	54,450	100%	54,450
20	2423.310	Buried Cable - FTTH	18,278	-	-	0	18,278	(18,278)	-	(0)	(18,278)	-	5.68%	1,038	-	100%	-
21	2441.000	Conduit Systems	1,942,293	-	-	0	1,942,293	(1,936,826)	-	(5,467)	(1,942,293)	-	6.48%	125,861	-	100%	-
22		Total Cable & Wire Facilities	4,581,611	-	-	9,712	4,591,323	(3,449,862)	-	(77,211)	(3,527,073)	1,064,249		271,388	143,949		143,949
23	2690.000	Intangibles	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	100%	-
24		Total	\$ 10,530,394	\$ (77,364)	\$ -	\$ 38,779	\$ 10,491,808	\$ (7,769,053)	\$ 49,744	\$ -	\$ (417,534)	\$ (8,136,843)	\$ 2,355,500	\$ 1,100,085	\$ 820,417		\$ 817,302

⁽¹⁾ The value in column (N) is limited to the lesser of col (K) or col (M). If negative, value was increased to zero.

Source: Columbus Communications Services, LLC's Application, Sections 4 and 5
 Exhibit KLF-1a
 Exhibit KLF-2b

Columbus Communications Services, LLC
 Payroll Expense Adjustment
 Income Statement Adjustment No. 3
 Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
 Exhibit KLF-4

Line No.	Acct	Description	Staff Adjustment Pro Forma Wage & Distribution	Intrastate Separations	Intrastate Adjustment
		Plant Specific Operations Expense			
1	6110	Network Support Expense	-	0.315845	-
2	6120	General Support Expense	-	0.315845	-
3	6210	Central Office Switching Expense	(1,191)	0.233615	(278)
4	6230	Central Office Transmission Expense	(44,002)	0.233615	(10,279)
5	6310	Information Orig/Term Expense	-	-	-
6	6410	Cable and Wire Facilities Expense	2,421	0.393137	952
7		Total Plant Specific Operations Expense	<u>\$ (42,772)</u>		<u>\$ (9,606)</u>
		Plant Non-Specific Operations Expense			
8	6510	Other Plant Expense	(311)	0.315845	(98)
9	6530	Network Operations Expense	4,491	0.315845	1,418
10	6540	Access Expense	-	-	-
11	6560	Depreciation & Amortization Expense	-	0.252269	-
12		Total Plant Non-Specific Operations Expense	<u>\$ 4,180</u>		<u>\$ 1,418</u>
		Customer Operations Expense			
13	6610	Marketing Expense	3,926	0.527133	2,069
14	6620	Directory Expense	-		-
15	6623	Customer Services Expense	2,848	0.571274	1,627
16		Total Customer Operations Expense	<u>\$ 6,774</u>		<u>\$ 3,696</u>
		Corporate Operations Expense			
17	6710	Executive and Planning Expense	3,987	0.350634	1,398
18	6720	General and Administrative Expense	27,491	0.311255	8,557
19		Total Corporate Operations Expense	<u>\$ 31,478</u>		<u>\$ 9,955</u>
20		Total Staff Adjustment	<u><u>\$ (340)</u></u>		<u><u>\$ 5,464</u></u>

Source: Exhibit KLF-4a

Columbus Communications Services, LLC
Payroll Expense Adjustment Summary
Income Statement Adjustment No. 3
Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
Exhibit KLF-4a

Line No.	Acct	Description	Actual 2021 Test Year Wage & Distribution	% Actual 2021 Test Year Distribution	Staff Pro Forma Wage & Distribution	% Staff Pro Forma Distribution	Staff Adjustment Pro Forma Wage & Distribution	Staff Regulated Percentage	Subtotal Staff Regulated Adjustment
1	6110	Plant Specific Operations Expense							
2	6120	Network Support Expense	-	0.00%	-	0.00%	-	100%	-
3	6210	General Support Expense	-	0.00%	-	0.00%	-	95.29%	-
4	6230	Central Office Switching Expense	2,907	0.44%	1,716	0.24%	(1,191)	100%	(1,191)
5	6310	Central Office Transmission Expense	139,686	21.12%	95,684	13.66%	(44,002)	100%	(44,002)
6	6410	Information Orig/Term Expense	-	0.00%	-	0.00%	-	100%	-
7	6410	Cable and Wire Facilities Expense	85,683	12.95%	88,104	12.57%	2,421	100%	2,421
		Total Plant Specific Operations Expense	\$ 228,276	34.51%	\$ 185,504	26.48%	\$ (42,772)		\$ (42,772)
8	6510	Plant Non-Specific Operations Expense							
9	6530	Other Plant Expense	311	0.05%	-	0.00%	(311)	100%	(310.58)
10	6540	Network Operations Expense	45,642	6.90%	50,133	7.16%	4,491	100%	4,491
11	6560	Access Expense	-	0.00%	-	0.00%	-	100%	-
12	6560	Depreciation & Amortization Expense	-	0.00%	-	0.00%	-	95.29%	-
		Total Plant Non-Specific Operations Expense	\$ 45,952	6.95%	\$ 50,133	7.16%	\$ 4,180		\$ 4,180
13	6610	Customer Operations Expense							
14	6620	Marketing Expense	10,528	1.59%	14,454	2.06%	3,926	100%	3,926
15	6620	Directory Expense		0.00%		0.00%	-	100%	-
16	6622	Number Services Expense		0.00%		0.00%	-	100%	-
17	6623	Service Order Processing		0.00%		0.00%	-	100%	-
18	6623.1	End User Payment & Collections		0.00%		0.00%	-	100%	-
19	6623.2	End User Billing Inquiry		0.00%		0.00%	-	100%	-
20	6623.3	Rev Acct - CABS		0.00%		0.00%	-	100%	-
21	6623.4	IXC Service Order Processing	33,241	5.03%	36,088	5.15%	2,848	100%	2,848
22	6623.5	IXC Payment & Collections		0.00%		0.00%	-	100%	-
23	6623.6	B&C Expense		0.00%		0.00%	-	100%	-
24	6623.7	Toll Ticket Processing		0.00%		0.00%	-	67.09%	-
25	6629	Other B&C-KS-NR		0.00%		0.00%	-	100%	-
		Total Customer Operations Expense	\$ 43,769	6.62%	\$ 50,542	7.21%	\$ 6,774		\$ 6,774
26	6710	Corporate Operations Expense							
27	6721	Executive and Board Expense	18,515	2.80%	22,502	3.21%	3,987	100%	3,987
28	6721	Accounting/Finance Expense	79,914	12.08%	102,318	14.60%	22,403	95.29%	21,348
29	6722	External Relations		0.00%		0.00%	-	100%	-
30	6723	Human Resources		0.00%		0.00%	-	100%	-
31	6726	Procurement		0.00%		0.00%	-	100%	-
32	6728	Other G&A Expense	54,741	8.28%	61,187	8.73%	6,446	95.29%	6,143
		Total Corporate Operations Expense	\$ 153,170	23.16%	\$ 186,007	26.55%	\$ 32,837		\$ 31,478
33		Total Regulated Expense	\$ 471,167	71.24%	\$ 472,186	67.39%	\$ 1,019		\$ (340)
34		Direct Non-Regulated Expense	189,144	28.60%	205,659	29.35%	16,515		
35	2003	Telephone Plant Under Construction	1,100	0.17%	22,799	3.25%	21,699		
36		Total Salary: TPUC + Reg Expense + Non-Reg Expense	\$ 661,410	100.00%	\$ 700,644	100.00%	\$ 39,233		

Sources: Exhibits KLF-4b and KLF-4c

Exhibit KLF-4b
2022 Payroll Distribution
REDACTED

Exhibit KLF-4c
2021 Payroll Distribution
REDACTED

Exhibit KLF-5

Employee Compensation Analysis

REDACTED

Exhibit KLF-5a

Salary + Bonus Comparison

REDACTED

Columbus Communications Services, LLC
Employee Benefit and Payroll Tax Adjustment
Income Statement Adjustment No. 4
Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
Exhibit KLF-6

Line No.	Acct	Description	Staff Adjustment	Intrastate Separations	Intrastate Adjustment
		Plant Specific Operations Expense			
1	6110	Network Support Expense	-	0.315845	-
2	6120	General Support Expense	-	0.315845	-
3	6210	Central Office Switching Expense	(386)	0.233615	(90)
4	6230	Central Office Transmission Expense	(14,190)	0.233615	(3,315)
5	6310	Information Orig/Term Expense	-	-	-
6	6410	Cable and Wire Facilities Expense	983	0.393137	387
7		Total Plant Specific Operations Expense	<u>\$ (13,592)</u>		<u>\$ (3,019)</u>
		Plant Non-Specific Operations Expense			
8	6510	Other Plant Expense	(102)	0.315845	(32)
9	6530	Network Operations Expense	1,578	0.315845	499
10	6540	Access Expense	-	-	-
11	6560	Depreciation & Amortization Expense	-	0.252269	-
12		Total Plant Non-Specific Operations Expense	<u>\$ 1,477</u>		<u>\$ 466</u>
		Customer Operations Expense			
13	6610	Marketing Expense	1,316	0.527133	694
14	6620	Directory Expense	-	0.622485	-
15	6623	Customer Services Expense	-	0.622485	-
16		Total Customer Operations Expense	<u>\$ 1,316</u>		<u>\$ 694</u>
		Corporate Operations Expense			
17	6710	Executive and Planning Expense	1,290	0.350634	452
18	6720	General and Administrative Expense	9,334	0.311255	2,905
19		Total Corporate Operations Expense	<u>\$ 10,623</u>		<u>\$ 3,357</u>
20		Total Staff Adjustment	<u><u>\$ (177)</u></u>		<u><u>\$ 1,499</u></u>

Source: Exhibit KLF-5a

Columbus Communications Services, LLC
Benefit and Payroll Tax Expense Distribution
Income Statement Adjustment No. 4
Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
Exhibit KLF-6a

Line No.	Acct	Description	% Actual 2021 Test Year Distribution	Total Actual 2021 Test Year Benefit & Payroll Tax	% Staff Pro Forma Distribution	Total Staff Pro Forma Benefit & Payroll Tax	Staff Adjustment Benefit & Payroll Tax	Staff Regulated Percentage	Subtotal Staff Adjustment Regulated
1	6110	Plant Specific Operations Expense							
2	6120	Network Support Expense	0.00%	-	0.00%	-	-	100%	-
3	6210	General Support Expense	0.00%	-	0.00%	-	-	95.29%	-
4	6230	Central Office Switching Expense	0.44%	951	0.24%	565	(386)	100%	(386)
5	6310	Central Office Transmission Expense	21.12%	45,706	13.66%	31,516	(14,190)	100%	(14,190)
6	6410	Information Orig/Term Expense	0.00%	-	0.00%	-	-	100%	-
7		Cable and Wire Facilities Expense	12.95%	28,036	12.57%	29,020	983	100%	983
		Total Plant Specific Operations Expense	34.51%	\$ 74,694	26.48%	\$ 61,101	\$ (13,592)		\$ (13,592)
8	6510	Plant Non-Specific Operations Expense							
9	6530	Other Plant Expense	0.05%	102	0.00%	-	(102)	100%	(102)
10	6540	Network Operations Expense	6.90%	14,934	7.16%	16,513	1,578	100%	1,578
11	6560	Access Expense	0.00%	-	0.00%	-	-	100%	-
12		Depreciation & Amortization Expense	0.00%	-	0.00%	-	-	95.29%	-
		Total Plant Non-Specific Operations Expense	6.95%	\$ 15,036	7.16%	\$ 16,513	\$ 1,477		\$ 1,477
13	6610	Customer Operations Expense							
14	6620	Marketing Expense	1.59%	3,445	2.06%	4,761	1,316	100%	1,315.98
15	6622	Directory Expense	0.00%	-	0.00%	-	-	100%	-
16	6623	Number Services Expense	0.00%	-	0.00%	-	-	100%	-
17	6623.1	Service Order Processing	0.00%	-	0.00%	-	-	100%	-
18	6623.2	End User Payment & Collections	0.00%	-	0.00%	-	-	100%	-
19	6623.3	End User Billing Inquiry	0.00%	-	0.00%	-	-	100%	-
20	6623.4	Rev Acct - CABS	0.00%	-	0.00%	-	-	100%	-
21	6623.5	IXC Service Order Processing	5.03%	10,877	5.15%	11,887	1,010	100%	1,010
22	6623.6	IXC Payment & Collections	0.00%	-	0.00%	-	-	100%	-
23	6623.7	B&C Expense	0.00%	-	0.00%	-	-	100%	-
24	6629	Toll Ticket Processing	0.00%	-	0.00%	-	-	67.09%	-
25		Other B&C-KS-NR	0.00%	-	0.00%	-	-	100%	-
		Total Customer Operations Expense	6.62%	\$ 14,321	7.21%	\$ 16,648	\$ 2,326		\$ 2,326
26	6710	Corporate Operations Expense							
27	6721	Executive and Board Expense	2.80%	6,058	3.21%	7,412	1,353	95.29%	1,290
28	6722	Accounting/Finance Expense	12.08%	26,149	14.60%	33,701	7,553	95.29%	7,197
29	6723	External Relations	0.00%	-	0.00%	-	-	100%	-
30	6726	Human Resources	0.00%	-	0.00%	-	-	100%	-
31	6728	Procurement	0.00%	-	0.00%	-	-	100%	-
32		Other G&A Expense	8.28%	17,912	8.73%	20,154	2,242	95.29%	2,136
		Total Corporate Operations Expense	23.16%	\$ 50,119	26.55%	\$ 61,267	\$ 11,148		\$ 10,623
33		Total Regulated Expense	71.24%	\$ 154,170	67.39%	\$ 155,529	\$ 1,359		\$ 834
34		Direct Non-Regulated Expense	28.60%	61,889	29.35%	67,740	5,850		
35	2003	Telephone Plant Under Construction	0.17%	360	3.25%	7,510	7,150		
36		Total: TPUC + Reg Expense + Non-Reg Expense	100.00%	\$ 216,419	100.00%	\$ 230,778	\$ 14,359		

Source: Exhibit KLF-5b

Columbus Communications Services, LLC
Benefit and Payroll Tax Expense Summary
Income Statement Adjustment No. 4
Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
Exhibit KLF-6b

Line No.	Description	Amount
	Actual Test Year Benefit and Payroll Tax Expense:	
1	Employee Benefit Expense	156,231
2	Employer's Payroll Tax Expense	<u>60,188</u>
3	Total Benefit and Payroll Tax Expense	\$ 216,419
	Staff Pro Forma Adjustment Benefit and Payroll Tax Expense:	
4	Employee Benefit Expense	167,020
5	Employer's Payroll Tax Expense	<u>63,759</u>
6	Total Benefit and Payroll Tax Expense	\$ 230,778
7	Total Staff Adjustment Benefit and Payroll Tax Expense	<u><u>\$ 14,359</u></u>

Sources: Exhibits KLF-6c and KLF-6d

Columbus Communications Services, LLC
 Normalized Employee Benefit Expense
 Income Statement Adjustment No. 4
 Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
 Exhibit KLF-6c

Line No.	Description	Health,Life,LTD 9999.5
<u>2021 Test Year Expense</u>		
1	January	12,700
2	February	12,700
3	March	10,282
4	April	12,297
5	May	12,297
6	June	12,297
7	July	12,660
8	August	12,124
9	September	12,913
10	October	16,399
11	November	14,782
12	December	14,782
13		<u>\$ 156,231</u>
<u>Expense January 2022 thru June 2022</u>		
14	January	15,213
15	February	13,629
16	March	13,629
17	April	13,629
18	May	13,629
19	June	13,629
20	Staff Pro Forma Expense	167,020
21	Staff Adjustment	<u>\$ 10,789</u>

Source: Columbus Communications Service's, LLC's response to Staff Data Request No. 72

Columbus Communications Servicesm, LLC
Payroll Tax Expense Adjustment
Income Statement Adjustment No. 4
Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
Exhibit KLF-6d

Line No.	Description	Amount
1	2021 Test Year Wages	661,410
2	Less wages over 142,800 2021 FICA limit	-
3	Test Year Wages subject to FICA	<u>\$ 661,410</u>
4	Test Year FICA Tax - Employers Share (7.65%)	50,598
5	Test Year Medicare Tax - Employers Share (1.45%)	9,590
6	Total Test Year FICA + Medicare Tax	<u>\$ 60,188</u>
7	Staff's Pro Forma Wages	700,644
8	Less wages over 147,000 2022 FICA limit	-
9	Pro Forma Wages subject to FICA	<u>\$ 700,644</u>
10	Pro Forma FICA Tax - Employers Share (7.65%)	53,599
11	Pro Forma Medicare Tax - Employers Share (1.45%)	10,159
12	Total Pro Forma FICA + Medicare Tax	<u>\$ 63,759</u>
13	Total Staff Adjustment - Employee Benefit & Payroll Tax	<u>\$ 3,570</u>

Source: Exhibits KLF-4a

Columbus Communications Services, LLC
 Audit Expense
 Income Statement Adjustment No. 5
 Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
 Exhibit KLF-7

Line No.	Description	Total Company	Intrastate Separations	Intrastate Adjustment
1	Adjustment to General and Administrative - Rate Case Expense (Acct. 6720)	(18,984)	1.000000	(18,984)
2	Staff Adjustment to Audit Expense	\$ (18,984)		\$ (18,984)
<u>Breakdown of Adjustment</u>				
3	Columbus Audit Expense		53,036	
4	KCC Assessable Audit Expense		<u>2,042</u>	
5	Total Audit Expenses		55,078	
6	Amortization Period (Years)		<u>5</u>	
7	Annual Audit Amortization			11,016
8	Less: Columbus Adjustment for Audit Expense			<u>30,000</u>
9	Staff Adjustment to Rate Case Expense (Acct. 6720)			\$ (18,984)
<u>Detail of Audit Expense Calculations</u>				
<u>Consultant Fees - TCA</u>				
10	May 2022		8,183	
11	June 2022		25,698	
12	July 2022		9,704	
13	August 2022		<u>8,206</u>	
14	Total TCA Invoices			51,791
<u>Legal Fees - Gleason & Doty, Chartered</u>				
15	April 18, 2022 through September 12, 2022		<u>1,245</u>	
16	Total Gleason & Doty, Chartered Invoices			<u>1,245</u>
17	Total Columbus Audit Expense			\$ 53,036
<u>KCC Maximum Assessment Calculation</u>				
18	Maximum Assessment for Fiscal Year per Accounting		5,594	
19	Less: Assessments to Date (includes Audit Assessments)		<u>3,552</u>	
20	Remaining Maximum Assessment for Fiscal Year		2,042	
21	Assessments for Docket to Date (included in Assessments to Date)		<u>-</u>	
22	Maximum Assessment for Docket		2,042	
<u>KCC Audit Expenses</u>				
23	Staff	25,249		
24	Consultants and Expenses	<u>8,095</u>		
25	Total KCC Audit Expenses		33,343	
26	Total KCC Audit Expense			\$ 2,042

Sources: Columbus Communications Services, LLC's Application, Section 9
 Columbus Communications Services, LLC's Response to Staff Data Request Nos. 34 1st Revised

Columbus Communications Services, LLC
Property Tax Expense
Income Statement Adjustment No. 6
Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
Exhibit KLF-8

Line No.	Description	Total Company	Intrastate Separations	Intrastate Adjustment
1	Adjustment to Other Operating Taxes (Acct. 7240)	<u>\$ (6,495)</u>	0.315845	<u>\$ (2,051)</u>
<u>Breakdown of Adjustment:</u>				
2	Staff Calculated 2021 Property Tax		35,054	
3	Less: 2021 Available Telecom Credit		<u>6,542</u>	
4	Staff Adjusted 2021 Property Tax			28,512
5	Staff Calculated Regulated Percentage			<u>99.27%</u>
6	Staff Adjusted Regulated Property Tax Expense			<u>28,303</u>
7	Columbus Property Tax Expense			<u>34,798</u>
8	Staff Adjustment for Property Taxes			<u>\$ (6,495)</u>

Sources: Columbus Communications Services, LLC's Application, Section 9
Columbus Communications Services, LLC's Response to Staff Data Request No. 44
Exhibits KLF-8a and KLF-8b

Columbus Communications Services, LLC
 Detail of 2021 Property Tax Expense
 Income Statement Adjustment No. 6
 Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
 Exhibit KLF-8a

Line No.	County	Statement	Unit	Assessed Value	Levy	2021 Tax
1	Cherokee	30251	210 Columbus	212,293	157.074	33,345.72
2	Crawford	31719	73 Washington USD 249	3,729	107.524	400.96
3	Crawford	31720	74 Washington USD 249-H1	16	115.430	1.86
4	Crawford	31721	81 Baker USD 248	1,903	114.098	217.14
5	Crawford	31722	90 Sheridan USD 247	2,854	107.792	307.64
6	Crawford	31723	91 Sheridan USD 247-H1	2,854	115.698	330.20
7	Crawford	31724	82 Baker USD 249	4,253	105.982	450.74
8			Total 2021 Property Taxes			<u>\$ 35,054.26</u>

Source: Columbus Communications Services, LLC's Response to Staff Data Request No. 46

Columbus Communications Services, LLC
 Regulated Property Tax Percentage Calculation
 Income Statement Adjustment No. 6
 Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
 Exhibit KLF-8b

Line No.	Account	Description	Balance 12/31/2021	Staff Regulated %	Regulated Balance
1	2111.000	Land	10,893	95.29%	10,380
2	2112.000	Motor Vehicles	10,647	95.29%	10,146
3	2114.000	Other Work Equipment	356,128	95.29%	339,354
4	2121.000	Buildings	1,124,100	95.29%	1,071,155
5	2122.000	Furniture/Office Equipment	83,311	95.29%	79,387
6	2124.000	General Purpose Computers	57,210	95.29%	54,515
7		Total General Support Facilities	<u>\$ 1,642,289</u>		<u>\$ 1,564,937</u>
8	2212.000	Digital Central Office Equipment	55,601	100.00%	55,601
9	2212.100	Central Office Equipment - Soft Switch	488,505	100.00%	488,505
10	2232.100	Circuit Equipment - EAS	20,723	100.00%	20,723
11	2232.200	Circuit Equipment - Subscriber	34,248	100.00%	34,248
12	2232.300	Circuit Equipment - Intrxchg	20,938	100.00%	20,938
13	2232.400	Circuit Equipment - FTTH Wave7	-	100.00%	-
14	2232.500	Circuit Equipment - FTTH	3,686,478	100.00%	3,686,478
15		Total Central Office Equipment	<u>\$ 4,306,493</u>		<u>\$ 4,306,493</u>
16	2422.200	EAS Fiberoptic Cable	9,507	100.00%	9,507
17	2422.300	Underground Fiber Cable - FTTH	1,645,923	100.00%	1,645,923
18	2423.000	Buried Cable	13,781	100.00%	13,781
19	2423.300	Buried Fiber Cable	951,829	100.00%	951,829
20	2423.310	Buried Cable - FTTH	18,278	100.00%	18,278
21	2441.000	Conduit Systems	1,942,293	100.00%	1,942,293
22		Total Cable and Wire Facilities	<u>\$ 4,581,611</u>		<u>\$ 4,581,611</u>
23	2690	Intangibles	-	100.00%	-
24		Total Plant in Service	<u><u>\$ 10,530,393</u></u>		<u><u>\$ 10,453,041</u></u>
25		Regulated Percentage			99.27%
26		Non-Regulated Percentage			0.73%

Source: Columbus Communications Services, LLC's Application, Section 4

Columbus Communications Services, LLC
 Advertising Expense
 Income Statement Adjustment No. 7
 Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
 Exhibit KLF-9

Line No.	Acct	Description	Staff Adjustment to Advertising	Staff Regulated Percentage	Staff Regulated Advertising Adjustment	Intrastate Separations	Intrastate Adjustment
1	6610	Marketing Expense	(5,968)	100%	(5,968)	0.527133	(3,146)
2	6720	General and Administrative Expense	(23)	95.29%	(22)	0.311255	(7)
3			<u>\$ (5,992)</u>		<u>\$ (5,991)</u>		<u>\$ (3,153)</u>

Line No.	Date	Journal Entry Description	Description	6610.000	6610.400	6728.040
4	Jan-21	ACCT 27 DEC ADV	News Report	293.93		
5	Feb-21	ACCT 143 JANUARY ADV	News Report	202.00		
6	Feb-21	2021 ADV IN MANUF DIRECTORY	Kansas Manufacturers Directory/IndustryNet.com	195.02		
7	Feb-21	ADVA THLETE OF WEEK ACCT 00013813	Athlete of the Week	40.00		
8	Feb-21	ADV DEC 2020 ATHLETE OF WEEK #00013813	Athlete of the Week	50.00		
9	Mar-21	ID 27 FEB ADV	News Report	112.00		
10	Mar-21	ST ROSE OF LIMA BULLETIN ADV. 1 YEAR	Church Bulletin	256.50		
11	Mar-21	acct 00013813 jan & feb athlete of week	Athlete of the Week	40.00		
12	Apr-21	MARCH ADV ACT 27	News Report	227.00		
13	Apr-21	ACCT 00013813 MARCH ATHLETE OF WEEK	Athlete of the Week	30.00		
14	May-21	APRIL ADV ID 27	News Report	202.00		
15	May-21	1/4 PAGE AD 2020-21 CHECOUKAN	School year book	130.00		
16	May-21	FACEBOOK		30.00		
17	May-21	FALL 2021 ADV CUHS PO 1905	Fall 2021 Business Card Size Ad for High School		349.00	
18	Jun-21	ACCT 27 MAY ADV	News Report	442.00		
19	Jul-21	ACCT 27 JUNE ADV	News Report	233.00		
20	Jul-21	FAIR BOOK ADV & ADV SIGN	Sign (\$500) and Ad (\$75) Cherokee County American Legion Fair Association		575.00	
21	Jul-21	2021 FALL SPORTS PROGRAM ADV	2020 Fall Sports Programs		75.00	
22	Aug-21	7/31/21 ADV ID#27	News Report	539.50		
23	Sep-21	ACCT 27 8/31/21	News Report	407.00		
24	Oct-21	ID#27 SEPT ADV	News Report	327.00		
25	Nov-21	OCTOBER ADV ACCT 27	News Report	502.00		
26	Nov-21	COLUMBUS TELEPHONE COL DAY ADV		200.00		
27	Nov-21	Marketing expenses on CC	Items for participation in city competition	133.54		
28	Dec-21	ACCT 27 NOV ADV	News Report	377.00		
29	Dec-21	11-09-21 SHIPPING FOR CALENDAR INSERT	Shipping Costs for Calendar Inserts			23.25
30				<u>\$ 4,969</u>	<u>\$ 999</u>	<u>\$ 23</u>

Sources: Columbus Communications Services, LLC Response to Staff Data Request Nos. 7 and 28

Line No.	Account	Description	Staff Adjustment to Dues and Donations	Staff Regulated Percentage	Staff Regulated Dues and Donations Adjustment	Intrastate Separations	Intrastate Adjustment
1	6610	Marketing Expense	(6,996)	100%	(6,996)	0.527133	(3,688)
2	6710	Executive and Planning Expense	(2,000)	95.29%	(1,906)	0.350634	(668)
3	6720	General and Administrative Expense	(779)	95.29%	(742)	0.311255	(231)
4	7370	Contributions and Fees	(4,374)	100%	(4,374)	0.314701	(1,377)
5			<u>\$ (14,148)</u>		<u>\$ (14,018)</u>		<u>\$ (5,963)</u>

Line No.	Date	Journal Entry Description	6610.000	6610.200	6610.500	6711.300	6728.040	6729.500	7370.000
<u>DUES</u>									
6	May-21	2021-22 platinum level membership			2,000.00				
7	Sep-21	AUGUST MEMBERSHIP & HOT AIR BALOON SPONS	134.00						
8	Oct-21	1 YEAR SUBSCRIPTION C003					135.00		
9		Total Dues Expense	134.00	-	2,000.00	-	135.00	-	-
<u>DONATIONS</u>									
10	Jan-21	military boxes							105.35
11	Feb-21	AFTER PROM DONATION							100.00
12	Feb-21	10 BEAN FEED TICKETS							60.00
13	Mar-21	10 DINNERS POTATO BAR							60.00
14	Apr-21	DONATION FIRE UP FOR FIREWORKS							150.00
15	Apr-21	PULLED PORK LUNCH FUNDRAISER							150.00
16	May-21	movie night contribution							100.00
17	Jun-21	DONATION FOR FUNDRAISER							100.00
18	Jun-21	donation fire up for fireworks							200.00
19	Jun-21	DONATION BENEFIT LUNCH							100.00
20	Jul-21	2021 scholarship		463.88					
21	Aug-21	DONATION FUNDRAISER							75.00
22	Sep-21	donation fishing derby		75.00					
23	Sep-21	REIMB FOR CANDY FOR OFFICE						43.62	
24	Sep-21	DONATION FUNDRAISER							2,000.00
25	Nov-21	CHICKEN NOODLE DINNER							100.00
26	Nov-21	chili soup fundraiser							100.00
27	Nov-21	bake potato fundraiser/lunch							49.00
28	Nov-21	ADDITIONAL POTATO LUNCH DINNER							7.00
29	Nov-21	Reimbursement for Donation Items							130.17
30	Dec-21	EMPLOYEE THANKSGIVING GIFT CERTIF					600.00		
31	Dec-21	donation for christmas for kids							90.00
32		Total Donations Expense	-	538.88	-	-	600.00	43.62	3,676.52
<u>SPONSORSHIPS</u>									
33	Jan-21	FLIGHT OF HONOR SHOOT SILVER SPONSORSHIP		250.00					
34	Feb-21	2021 CH CTY YOUTH ENTREPRENEUR FAIR		250.00					
35	Apr-21	TEAM SPONSORSHIP 2021		250.00					
36	Apr-21	MINI DIPLOMA		222.95					
37	Apr-21	LEVEL 2 SPONSOR		250.00					
38	Apr-21	ANNUAL TITAN OPEN GOLF TOURN DONATION		100.00					
39	Aug-21	LIVESTOCK AUCTION KWALSH,MHAMILTON,PCAIN		3,400.00					
40	Sep-21	SPONSORSHIP GOLF TOURN.		200.00					
41	Sep-21	AUGUST MEMBERSHIP & HOT AIR BALOON SPONS		550.00					
42	Sep-21	sponsorship logo on t shirt for bandtrip		100.00					
43	Sep-21	SPONSORSHIP GOLF HOLE		50.00					
44	Sep-21	SPONSOR BOOKS LITERATURE FIRE PREV		150.00					
45	Sep-21	2021 YOUTH SOCCER SPONSORSHIP							97.50
46	Oct-21	SPONSORSHIP		300.00					
47	Oct-21	DONATION TRIKE A THON- JAXON CAIN							100.00
48	Nov-21	CUST# 17736 COMM GRANT PROG SPONSORSHIP							500.00
49	Dec-21	SILVER SPONSORSHIP		250.00					
50		Total Sponsorships Expense	-	6,322.95	-	-	-	-	697.50
51		Total Dues, Donations, and Sponsorships Expense Removed	<u>134.00</u>	<u>6,861.83</u>	<u>2,000.00</u>	<u>-</u>	<u>735.00</u>	<u>43.62</u>	<u>4,374.02</u>

Columbus Communications Services, LLC
 Lobbying Expense
 Income Statement Adjustment No. 9
 Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
 Exhibit KLF-11

Line No.	Description	Total Company	Intrastate Separations	Intrastate Adjustment
1	Staff Adjustment to Executive and Planning Expense (Acct. 6710)	(1,290)	0.350634	(452)
2	Total Staff Adjustment to Lobbying Expense	<u>\$ (1,290)</u>		<u>\$ (452)</u>
	<u>Breakdown of Adjustment</u>	<u>Amount</u>	<u>Lobbying Percentage</u>	<u>Total Adjustment</u>
	Executive: Other Expense (Acct. 6711.3000)			
3	NTCA - ILEC Membership 10/01/2021 - 09/30/2022	1,830	74%	1,354
4	Total Executive Expense Adjustment	1,830		1,354
5	Regulated Percentage			95.29%
6	Staff Adjustment to Executive: Other Expense (Acct. 6711.3000)			<u>\$ 1,290</u>

Sources: Columbus Communications Services, LLC's Response to Staff Data Request Nos. 30 and 68

Columbus Communications Services, LLC
Travel Training Expense
Income Statement No. 10
Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
Exhibit KLF-12

Line No.	Acct	Description	Staff Adjustment to Travel & Training Expense	Staff Regulated Percentage	Staff Regulated Travel & Training Expense Adjustment	Intrastate Separations	Intrastate Adjustment
1	6110	Network Support Expense	(177)	95.29%	(169)	0.315845	(53)
2	6710	Executive and Planning Expense	(869)	95.29%	(828)	0.350634	(290)
3	6720	General and Administrative Expense	(880)	95.29%	(838)	0.311255	(261)
4			<u>\$ (1,926)</u>		<u>\$ (1,835)</u>		<u>\$ (605)</u>

Line No.	Date	Journal Entry Description	Journal Entry Reference	6112.4	6711.3	6712	6721.4	6729.5
5	Aug-21	reimb for gas task conference	WALKERNIC 08/25 & 8/27				62.50	
6	Aug-21	REIMB FOR ROOM TASK CONFERENCE	WALKERNIC 8/25/21				331.10	
7	Nov-21	fuel	COBACC October 2021	150.00				
8	Nov-21	MATSS Convention- Dave/Matt/DeMaris	COBACC October 2021			570.00		
9	Nov-21	Coalition Communications	COBACC October 2021			150.00		
10	Nov-21	tca hotel stay	COBACC October 2021				103.61	
11	Nov-21	10/31/2021	TCATEL 35753					820.00
12	Dec-21	fuel and oil change	COBACC December 2021 Payment	204.50				
13	Dec-21	Conference- Dave	COBACC Dec 2021 Payment		171.49			
14	Dec-21	matts conference- kc	COBACC Dec 2021 Payment			847.16		
15	Dec-21	tca	COBACC Dec 2021 Payment				442.06	
16				<u>354.50</u>	<u>171.49</u>	<u>1,567.16</u>	<u>939.27</u>	<u>820.00</u>
17				50%	50%	50%	50%	50%
18				<u>177.25</u>	<u>85.75</u>	<u>783.58</u>	<u>469.64</u>	<u>410.00</u>

Sources: Columbus Communications Services, LLC Response to Staff Data Request Nos. 65, 66, and 95

Columbus Communications Services, LLC
Subscriptions Expense
Income Statement No. 11
Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
Exhibit KLF-13

Line No.	Acct	Description	Staff Adjustment to Subscriptions Expense	Staff Regulated Percentage	Staff Regulated Subscriptions Expense Adjustment	Intrastate Separations	Intrastate Adjustment
1	6120	General Support Expense	(2,041)	95.29%	(1,945)	0.315845	(614)
2	6620	Services Expense	(436)	100%	(436)	0.571274	(249)
3	6720	General and Administrative Expense	(282)	95.29%	(268)	0.311255	(84)
4			<u>\$ (2,759)</u>		<u>\$ (2,650)</u>		<u>\$ (947)</u>

Line No.	Date	Journal Entry Description	Journal Entry Reference	Debit Amount	6124	6623.4	6728.04
5	Jan-21	adobe	COBACC Feb 21 Stmt	74.08	37.04		
6	Jan-21	adobe/google/hulu	COBACC Feb 21 Stmt	453.03	297.03		
7	Mar-21	adobe/google/hulu	COBACC March 21 Statement	386.08	193.04		
8	Mar-21	hulu/youtube	COBACC March 21 Statement	141.03		141.03	
9	Apr-21	adobe/google/hulu	COBACC April 2021 Statmen	512.11	185.54		
10	May-21	adobe/google/hulu	COBACC May 2021 STMT	526.44	192.71		
11	Jun-21	adobe/google	COBACC june 21 stmt	396.98	198.49		
12	Jun-21	hulu and youtube	COBACC june 21 stmt	290.70		74.84	
13	Jul-21	adobe/google/hulu	COBACC July 2021	385.74	192.71		
14	Jul-21	youtube/hulu	COBACC July 2021	140.70			140.70
15	Aug-21	adobe/google/hulu	COBACC Aug 2021 Stmt	386.08	193.04		
16	Aug-21	hulu/google	COBACC Aug 2021 Stmt	141.03			141.03
17	Sep-21	adobe/google/hulu	COBACC Sept 21 Statement	472.14	165.56		
18	Sep-21	adobe/hulu/google	COBACC Sept 21 Statement	582.06		220.52	
19	Oct-21	adobe/google/hulu	COBACC October 2021	527.11	193.04		
20	Dec-21	adobe/google/hulu	COBACC Dec 2021 Payment	527.11	193.04		
21				<u>5,942.42</u>	<u>2,041.23</u>	<u>436.38</u>	<u>281.73</u>

Sources: Columbus Communications Services, LLC Response to Staff Data Request No. 80

Columbus Communications Services, LLC
Miscellaneous Expenses
Income Statement Adjustment No. 12
Test Year Ending December 31, 2021

Docket No. 22-COST-546-KSF
Exhibit KLF-14

Line No.	Acct	Description	Staff Adjustment to Miscellaneous Expense	Staff Regulated Percentage	Staff Regulated Miscellaneous Expense Adjustment	Intrastate Separations	Intrastate Adjustment
1	6110	Network Support Expense	\$ (6,327)	95.29%	\$ (6,029)	0.315845	\$ (1,904)
2	6610	Marketing Expense	(481)	100%	(481)	0.527133	(254)
3	6720	General and Administrative Expense	(1,955)	95.29%	(1,863)	0.311255	(580)
4			<u>\$ (8,764)</u>		<u>\$ (8,373)</u>		<u>\$ (2,738)</u>

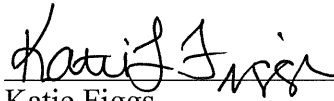
Line No.	Date	Journal Entry Description	Description	6114.4000	6610.0000	6721.4000	6728.0400	6729.5000
5	Jan-21	12/08221 EMPLOYEE WATCHES	Apple Watches	2,948.05				
6	Jan-21	EMPLOYEE WATCHES 12-8-2020	Apple Watches	3,378.94				
7	Jan-21	CARD 00577357	Entertainment/Gift				5.44	
8	Jan-21	office supplies	Office Supplies				65.40	
9	Jan-21	DEC CHARGES ACCT 18	Water/Gatorade/Soda					32.20
10	Feb-21	ACCT 18 JANUARY CHARGES	Water/Gatorade/Soda					73.86
11	Mar-21	FEB BALANCE SYMPATHY CARDS ACT COLUMTM	Entertainment/Gift				11.21	
12	Mar-21	office supplies/mouses	Office Supplies				33.48	
13	Mar-21	2/01-2/28/21 CHARGES ACCCT 18	Water/Gatorade/Soda					54.54
14	Apr-21	table decor	Entertainment/Gift		53.96			
15	Apr-21	penalty latefiling docket#19-GIMT-399GIT	KCC late docket filing			200.00		
16	Apr-21	MARCH CHARGES ACCT 18					13.06	
17	Apr-21	MARCH CHARGES ACCT 18	Water/Gatorade/Soda					13.06
18	May-21	ID 2151 ROSES FOR ADM ASSIST DAY	Entertainment/Gift				65.40	
19	May-21	office supplies	Office Supplies				134.71	
20	May-21	april charges account 18	Water/Gatorade/Soda					59.63
21	Jun-21	gene	Employee Anniversary Recognition		347.79			
22	Jun-21	ACCT 18 MAY 1-31/2021					7.84	
23	Jun-21	office supplies	Office Supplies				19.50	
24	Jun-21	ACCT 18 MAY 1-31/2021	Water/Gatorade/Soda					87.63
25	Jul-21	ACCT 18 JUNE CHARGES	Office Supplies				37.69	
26	Jul-21	CARD	Entertainment/Gift				4.35	
27	Jul-21	office supplies	Office Supplies				220.52	
28	Jul-21	ACCT 18 JUNE CHARGES	Water/Gatorade/Soda					48.94
29	Jul-21	Gene's Anniversary	Entertainment/Gift					26.67
30	Aug-21	REIMB FOR FLOWERS- KATE YOUNG TCA MKTG	Entertainment/Gift				76.10	
31	Aug-21	office supplies	Office Supplies				10.90	
32	Sep-21	vista print	Office Supplies		79.33			
33	Sep-21	office supplies	Office Supplies				142.31	
34	Sep-21	AUGUST CHARGES ACCT 18	Water/Gatorade/Soda					61.52
35	Oct-21	sept charges acct 18	Office Supplies				12.49	
36	Oct-21	reimb for cleaning supplies & paperplate	Office Supplies				32.05	
37	Oct-21	sept charges acct 18	Water/Gatorade/Soda					75.03
38	Nov-21	office supplies	Office Supplies				152.25	
39	Nov-21	Office - Plant	Entertainment/Gift				54.45	
40	Nov-21	OCTOBER CHARGES ACCT 18	Water/Gatorade/Soda					36.36
41	Dec-21	BOARD XMAS HOT CHOC BOMB	Entertainment/Gift				64.00	
42	Dec-21	office supplies	Office Supplies				22.89	
43				<u>6,326.99</u>	<u>481.08</u>	<u>200.00</u>	<u>1,186.04</u>	<u>569.44</u>

Sources: Columbus Communications Services, LLC Response to Staff Data Request Nos. 7, 77, and 81

STATE OF KANSAS)
) ss.
COUNTY OF SHAWNEE)

VERIFICATION

Katie Figgs, being duly sworn upon her oath deposes and states that she is a Managing Auditor for the Utilities Division of the Kansas Corporation Commission of the State of Kansas, that she has read and is familiar with the foregoing *Direct Testimony*, and attests that the statements contained therein are true and correct to the best of her knowledge, information and belief.



Katie Figgs
Managing Auditor
State Corporation Commission of the
State of Kansas

Subscribed and sworn to before me this 5 day of October, 2022.



Notary Public

My Appointment Expires: 4-28-25



NOTARY PUBLIC - State of Kansas
ANN M. MURPHY
My Appt. Expires 4/28/25

CERTIFICATE OF SERVICE

22-COST-546-KSF

I, the undersigned, certify that a true and correct copy of the above and foregoing Direct Testimony was served via electronic service this 6th day of October, 2022, to the following:

DAVE SOPER, GENERAL MANAGER
COLUMBUS COMMUNICATIONS SERVICES, LLC
224 SOUTH KANSAS AVENUE
COLUMBUS, KS 66725
dsoper@columbus-telephone.com

MARK DOTY, ATTORNEY
GLEASON & DOTY CHTD
PO BOX 6
LAWRENCE, KS 66044
doty.mark@gmail.com

THOMAS E. GLEASON, JR., ATTORNEY
GLEASON & DOTY CHTD
PO BOX 6
LAWRENCE, KS 66044
gleason@sunflower.com

DAVID COHEN, ASSISTANT GENERAL COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
d.cohen@kcc.ks.gov

MICHAEL NEELEY, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
m.neeley@kcc.ks.gov

STACEY BRIGHAM, CONSULTANT
TCA INC
526 CHAPEL HILLS DR STE 100
COLORADO SPRINGS, CO 80920-1030
sbrigham@tcatel.com

Wendy Harper, DIVISION MANAGER
VANTAGE POINT SOLUTIONS
2930 MONTVALE DRIVE, SUITE B
SPRINGFIELD, IL 62704
wendy.harper@vantagepnt.com

NICOLE STEPHENS, KUSF ADMINISTRATOR MANAGER
VANTAGE POINT SOLUTIONS
2930 MONTVALE DRIVE SUITE B
SPRINGFIELD, IL 62704
nicole.stephens@vantagepnt.com

/s/ Ann Murphy

Ann Murphy