

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

Before Commissioners:                    Andrew J. French, Chairperson  
   Dwight D. Keen  
   Annie Kuether

In the Matter of An Investigation to Determine    )  
the Affordable Local Service Rates for Rate-    )            Docket No. 25-GIMT-141-GIT  
of-Return Regulated Carriers and the Annual    )  
Assessment Rate for the Twenty-Ninth Year of    )  
the Kansas Universal Service Fund, Effective    )  
March 1, 2025.    )

**ORDER ADOPTING KUSF YEAR 29 ASSESSMENT RATE  
AND AFFORDABLE RATES**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (“Commission”) for consideration and determination. Having examined its files and records, the Commission finds and concludes:

**I. Background**

1. On September 17, 2024, the Commission opened this Docket to determine the assessment rate for the twenty-ninth year of the Kansas Universal Service Fund (KUSF) (March 2025 – February 2026) pursuant to K.S.A. 66-2008(a), as well as the affordable rates for the local exchange service provided by rural local exchange carriers (RLECs) subject to traditional rate of return regulation pursuant to K.S.A. 66-2005(e).<sup>1</sup>

2. To that end, the Commission adopted a procedural schedule and required affected carriers to submit certain data by October 14, 2024.<sup>2</sup> Staff was directed to submit its direct testimony providing its calculations by December 13, 2024.<sup>3</sup> Rebuttal testimony was due

---

<sup>1</sup> Order Opening Docket; Establishing Protective Order Applicable to CURB; Requiring Entries of Appearance to Actively Participate and Establishing Procedural Schedule (Sep. 17, 2024) (Opening Order).

<sup>2</sup> *Id* at 4.

<sup>3</sup> *Id*.

December 27, 2024. Staff was permitted to submit reply testimony by January 6, 2025, and the Commission set an evidentiary hearing date of January 15, 2025.<sup>4</sup>

3. The carriers submitted their data and Staff filed the Direct Testimony of Steve Garrett (Staff's Direct Testimony) on December 13, 2024.<sup>5</sup>

4. On December 19, 2024 the parties filed a Joint Motion to Cancel Evidentiary Hearing and Proceed on Paper Record (Motion). The Commission granted this motion on December 31, 2024.

## **II. Jurisdiction and Authority**

5. The Commission is authorized by K.S.A. 66-2008(a) to require certain carriers to contribute to the KUSF, and the Commission determined in Docket No. 94-GIMT-478-GIT that it would annually determine an assessment rate on intrastate retail revenues that such carriers would be required to contribute to the fund.<sup>6</sup> Under K.S.A. 66-2008(a), carriers are authorized to assess their customers for the contributions.<sup>7</sup>

6. The Commission is required to determine affordable rates pursuant to the provisions of K.S.A. 66-2005(e).<sup>8</sup>

## **III. Staff's Direct Testimony**

7. Staff's Direct Testimony submitted in this matter by Steve Garrett on December 13, 2024, recommended the Commission perform the following actions:

- a. Adopt a \$19.00 affordable residential service rate and a \$22.00 affordable single-line business service rate for the RLECs effective March 1, 2025;

---

<sup>4</sup> *Id.*

<sup>5</sup> Direct Testimony of Steve Garrett on Behalf of Kansas Corporation Commission Staff (Dec. 13, 2024)(Garrett Direct).

<sup>6</sup> See K.S.A. 66-2008(a); Order, Docket No. 94-GIMT-478-GIT, p. 39-40 (Dec. 27, 1996)

<sup>7</sup> See K.S.A. 66-2008(a).

<sup>8</sup> See K.S.A. 66-2008(e).

- b. Direct the RLECs to file revised local service tariffs to include their new monthly service rates with an effective date of March 1, 2025, in this Docket no later than February 1, 2025; and
- c. Adopt a 12.15% assessment rate for KUSF Year 29.<sup>9</sup>

8. Staff's testimony contained further details. For a full explanation of Staff's calculations and figures, refer to the Direct Testimony of Steve Garrett. At a high level, Mr. Garrett explained the background regarding the calculation of both the Affordable Rates and the KUSF Assessment Rate. The Affordable Rates are determined under the provisions of K.S.A. 66-2005(e).<sup>10</sup> Data submitted by the telecommunications providers was discussed and utilized to make the necessary calculations.<sup>11</sup> Staff's recommendation of \$19.00 for residential and \$22.00 single-line business rates reflect an increase of \$0.25 over the current Affordable Rates of \$18.75 and \$21.75, respectively.<sup>12</sup> Staff's determination of the KUSF Assessment Rate is derived by dividing the projected KUSF Obligations by the projected Revenue Base.<sup>13</sup> KUSF Obligations include \$30 million annually to the RLECs receiving high-cost KUSF support.<sup>14</sup> KUSF Obligations also include \$5,017,252 in high-cost support for Brightspeed; \$230,056 for Dual Party Relay Service (DPRS); \$287,136 for the Telecommunications Access Program (TAP); \$109,676 for the Kansas Lifeline Service Program (KLSP); and \$570,871 in Administration and Audit expense.<sup>15</sup> Adding in reserves from KUSF Year 28 and a contingency allowance results in Net KUSF Obligations of \$36,214,991 for KUSF Year 29.<sup>16</sup> Staff calculated a Revenue Base of \$289,980,095 for KUSF

---

<sup>9</sup> Garrett Direct, p 2-3.

<sup>10</sup> *See Id* at 5.

<sup>11</sup> *See Id* at 5-9.

<sup>12</sup> *See Id* at 5.

<sup>13</sup> *See Id* at 9.

<sup>14</sup> *See Id* at 12.

<sup>15</sup> *See Id* at Exhibit STG-1.

<sup>16</sup> *See Id*.

Year 29 based upon projected reductions in revenue from all voice telecommunications sectors other than Voice over Internet Protocol (VoIP).<sup>17</sup> The resulting Assessment Rate was then determined by dividing the KUSF Obligations by the Revenue Base – resulting in Staff’s recommendation of 12.15%.

9. No parties filed opposing testimony rebutting Mr. Garrett’s recommendations.

### **III. Findings and Conclusions**

10. The Commission finds Staff’s recommendations contained in its Direct Testimony of December 13, 2024, to be reasonable and hereby adopts the same.

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

A. The KUSF Year 29 (March 2025—February 2026) assessment rate shall be 12.15%.

B. The affordable residential service rate and affordable single-line business service rate for the RLECs shall be \$19.00 and \$22.00, respectively.

C. RLECs that wish to adjust their rates to the affordable rates shall file revised local service tariffs in this Docket no later than February 1, 2025, with an effective date of March 1, 2025.

D. 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>18</sup>

---

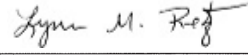
<sup>17</sup> *See Id.*

<sup>18</sup> K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

**BY THE COMMISSION IT IS SO ORDERED.**

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 01/16/2025



---

Lynn M. Retz  
Executive Director

AAL

## CERTIFICATE OF SERVICE

25-GIMT-141-GIT

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of electronic service on 01/16/2025.

JOSEPH R. ASTRAB, ATTORNEY  
CITIZENS' UTILITY RATEPAYER BOARD  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
joseph.astrab@ks.gov

MARK DOTY  
GLEASON & DOTY CHTD  
401 S MAIN ST STE 10  
PO BOX 490  
OTTAWA, KS 66067-0490  
doty.mark@gmail.com

WENDY HARPER, USF SERVICES MANAGER  
VANTAGE POINT SOLUTIONS  
2930 MONTVALE DRIVE, SUITE B  
SPRINGFIELD, IL 62704  
wendy.harper@vantagepnt.com

JOHN R. IDOUX, DIRECTOR KANSAS GOVERNMENTAL  
AFFAIRS  
BRIGHTSPEED OF EASTERN KANSAS, LLC  
1120 TRYON STREET  
SUITE 700  
CHARLOTTE, NC 28203  
john.idoux@brightspeed.com

COLLEEN JAMISON  
JAMISON LAW, LLC  
P O BOX 128  
TECUMSEH, KS 66542  
colleen.jamison@jamisonlaw.legal

JOHN LaPENTA, COUNSEL - STATE REGULATORY  
BRIGHTSPEED OF SOUTHERN KANSAS, INC  
1120 SOUTH TRYON STREET  
SUITE 700  
CHARLOTTE, NC 28203  
john.lapenta@brightspeed.com

AHSAN LATIF, LITIGATION COUNSEL  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
ahsan.latif@ks.gov

TODD E. LOVE, ATTORNEY  
CITIZENS' UTILITY RATEPAYER BOARD  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
todd.love@ks.gov

MOLLY E MORGAN, ATTORNEY  
FOULSTON SIEFKIN LLP  
1551 N. Waterfront Parkway  
Suite 100  
Wichita, KS 67206  
mmorgan@foulston.com

BRUCE A. NEY, AVP -SENIOR LEGAL COUNSEL  
AT&T SERVICES, INC.  
816 CONGRESS AVE  
SUITE 1100  
AUSTIN, TX 78701-2471  
bruce.ney@att.com

**CERTIFICATE OF SERVICE**

25-GIMT-141-GIT

DAVID W. NICKEL, CONSUMER COUNSEL  
CITIZENS' UTILITY RATEPAYER BOARD  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
david.nickel@ks.gov

SHONDA RABB  
CITIZENS' UTILITY RATEPAYER BOARD  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
shonda.rabb@ks.gov

PAMELA SHERWOOD, SENIOR REGULATORY AND  
COMPLIANCE COUNSEL  
BRIGHTSPEED OF KANSAS, LLC  
1120 SOUTH TRYON STREET  
SUITE 700  
CHARLOTTE, NC 28203  
pamela.sherwood@brightspeed.com

DELLA SMITH  
CITIZENS' UTILITY RATEPAYER BOARD  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
della.smith@ks.gov

JAMES P ZAKOURA, ATTORNEY  
FOULSTON SIEFKIN LLP  
7500 COLLEGE BOULEVARD, STE 1400  
OVERLAND PARK, KS 66201-4041  
jzakoura@foulston.com

/S/ KCC Docket Room  
\_\_\_\_\_  
KCC Docket Room