

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

Before Commissioners:                      Shari Feist Albrecht, Chair  
   Jay Scott Emler  
   Dwight D. Keen

In the Matter of a Joint Application of    )  
Bluestem Telephone Company, Inc., for    )  
Permission to Cease Operating as a Telephone    ) Docket No. 19-BSTT-172-CCS  
Public Utility and Sunflower Telephone    )  
Company, Inc. for a Certificate of    )  
Convenience and Authority to Operate as a    )  
Telephone Public Utility in the Area Served by    )  
Bluestem Telephone Company, Inc.            )

In the Matter of a Joint Application of    )  
Bluestem Telephone Company, Inc., for    )  
Permission to Cease Operating as a Telephone    ) Docket No. 19-SFLT-189-COC  
Public Utility and Sunflower Telephone    )  
Company, Inc. for a Certificate of    )  
Convenience and Authority to Operate as a    )  
Telephone Public Utility in the Area Served by    )  
Bluestem Telephone Company, Inc.            )

**ORDER CANCELLING BLUESTEM'S CERTIFICATE AND ENLARGING  
SUNFLOWER'S CERTIFICATE TO INCLUDE THE CEDAR POINT,  
SAFFORDVILLE, AND AMERICUS EXCHANGES**

NOW, the above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed its files and records and being duly advised in the premises, the Commission makes the following findings:

**I. Background**

1. On October 24, 2018, Bluestem Telephone Company, Inc. (Bluestem) filed a Joint Application with Sunflower Telephone Company, Inc. (Sunflower) (together, "Joint Applicants") seeking authority to cancel Bluestem's Certificate of Convenience and Authority (COC) and permit Sunflower to enlarge its COC to serve Bluestem's cancelled territory. Bluestem's current

service territory includes three exchanges identified by the metes and bounds in the Joint Application. The three exchanges are specifically: Cedar Point; Saffordville; and Americus.

2. The Commission opened two dockets to handle the Joint Application. Docket No. 19-BSTT-172-CCS was opened for Blustem's COC cancellation request. Docket No. 19-SFLT-189-COC was opened for Sunflower's COC enlargement request.

3. The Joint Application states that the Commission recently approved Consolidated Communications Holdings, Inc.'s (CCHI's) acquisition of FairPoint Communications, Inc. (Fairpoint) - which owned both Sunflower and Bluestem - on June 6, 2017, in Docket No. 17-SFLT-283-ACQ. The Joint Application notes that since approval, Consolidated Communications, Inc. (a subsidiary of CCHI) has been operating both Sunflower and Bluestem under their existing names and certificates.

4. The Joint Application indicates that the reason for the requested authorizations is so Consolidated Communications, Inc. can make changes to its organizational structure effective January 1, 2019. The Joint Application also notes that no operational changes will occur within the Bluestem service area as a result of COC cancellation and the existing central office will remain in place as will Bluestem's outside plant service personnel.

## **II. Jurisdiction and Standard of Review**

5. The Commission holds full power, authority and jurisdiction to supervise and control Bluestem and Sunflower as local exchange carriers pursuant to K.S.A. 66-1,188.

6. A public utility may cancel its COC so long as the public convenience and necessity does not require it to continue its operations.<sup>1</sup>

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<sup>1</sup>See *Atchison, T. & S.F. Ry. Co. v. State Corp. Comm'n*, 182 Kan. 603, 612 (1958) (stating: "[i]n determining whether a railroad company should be permitted to abandon service presently rendered the public, the paramount factor to be considered is public convenience and necessity."); K.S.A. 66-131.

6. A public utility may enlarge its COC upon a showing that doing so will promote the public convenience and necessity.<sup>2</sup>

### **III. Staff's Report and Recommendation**

7. Commission technical Staff (Staff) submitted a Report and Recommendation (R&R) to the Commissioners regarding the Joint Application on November 16, 2018, attached hereto and made a part hereof by reference.

8. In its R&R, Staff provided a description of the acquisition in Docket No. 17-SFLT-283-ACQ wherein CCHI acquired indirect control of Bluestem, Sunflower, FairPoint Communications Missouri (Fairpoint MO), and ST Long Distance, Inc. (STLD). Staff pointed out that the Joint Application describes the current request as a rebranding of Bluestem's operations.

9. Staff noted that in order to accomplish the Joint Application's stated goals, Sunflower's COC service area needs to expand to include the Bluestem exchanges, and Sunflower's tariff needs to be revised to incorporate Bluestem's rules, rates, and services. Furthermore, Bluestem's COC and tariff need to be cancelled.

10. A full description of the Bluestem exchanges Sunflower will take over are defined as follows:

#### **Americus, Kansas, Exchange Area**

Beginning at a point  $\frac{1}{2}$  mile north and  $\frac{1}{2}$  mile west of the southeast corner of Section 17, T14S, R10E, Wabaunsee County, Kansas; thence east 7 miles; thence south  $6\frac{3}{4}$  miles to a point  $\frac{1}{4}$  mile south and  $\frac{1}{2}$  mile east of the northwest corner of Section 21, T15S, R11E, Lyon County; thence west  $3\frac{1}{4}$  miles; thence south  $3\frac{1}{4}$  miles; thence east  $1\frac{1}{2}$  miles; thence south  $2\frac{1}{4}$  miles; thence east  $\frac{1}{2}$  mile; thence south  $\frac{3}{4}$  mile; thence west  $\frac{1}{2}$  mile; thence south  $\frac{3}{4}$  mile; thence east  $\frac{3}{4}$  mile; thence south 1 mile; thence east  $\frac{3}{8}$  mile; thence south  $1\frac{3}{8}$  miles; thence east  $\frac{3}{8}$  mile; thence south  $1\frac{5}{8}$  miles; thence east 1 mile; thence south  $2\frac{1}{2}$  miles; thence east  $\frac{1}{4}$  mile; thence south  $1\frac{3}{4}$  miles; thence east  $\frac{7}{16}$  mile; thence south  $\frac{9}{16}$  mile; thence

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<sup>2</sup>See K.S.A. 66-131.

west  $\frac{3}{16}$  mile; thence south  $1\frac{7}{16}$  miles; thence west  $\frac{5}{8}$  mile; thence south  $\frac{7}{8}$  mile; thence west  $\frac{1}{2}$  mile; thence south  $\frac{1}{4}$  mile to a point  $\frac{1}{4}$  mile west and  $\frac{3}{8}$  mile north of the southeast corner of Section 20, T18S; R11E; thence west  $1\frac{1}{2}$  miles; thence south  $\frac{1}{8}$  mile; thence west approximately  $\frac{3}{8}$  mile to the Neosho River; thence westerly along said river to a point  $\frac{1}{4}$  mile east of the west side of Section 24; T18S; R10E; thence south approximately  $\frac{1}{2}$  mile to a point  $\frac{1}{4}$  mile north and  $\frac{1}{4}$  mile east of the southwest corner of Section 24; T18S, R10E; thence west 1 mile; thence north  $\frac{1}{2}$  mile; thence west 4 miles; thence north  $\frac{3}{4}$  mile; thence west  $1\frac{3}{4}$  miles; thence north  $\frac{1}{2}$  mile; thence west  $\frac{1}{2}$  mile; thence north 2 miles to the northwest corner of Section 2, T18S, R9E; thence east 3 miles; thence north 2 miles; thence east  $1\frac{1}{2}$  miles; thence north 1 mile; thence west  $\frac{1}{2}$  mile; thence north 1 mile; thence west  $\frac{1}{8}$  mile; thence north  $\frac{1}{2}$  mile; thence east  $\frac{1}{8}$  mile; thence north  $\frac{1}{2}$  mile; thence west  $\frac{1}{4}$  mile; thence north 1 mile; thence west  $\frac{1}{2}$  mile; thence north 1 mile; thence west  $1\frac{1}{4}$  miles; thence north 1 mile; thence east  $\frac{1}{2}$  mile; thence north  $\frac{5}{8}$  mile; thence west  $\frac{1}{2}$  mile; thence north  $3\frac{3}{8}$  miles; thence east  $\frac{1}{2}$  mile; thence north  $6\frac{1}{2}$  miles; thence east 1 mile; thence north 3 miles to a point of beginning.

#### **Cedar Point, Kansas, Exchange Area**

Beginning at a point  $\frac{1}{2}$  mile north and  $\frac{1}{4}$  mile east of the southwest corner of Section 6, T20S, R7E, Chase County, Kansas; thence south  $2\frac{3}{4}$  miles; thence east  $2\frac{1}{4}$  miles; thence south approximately 4 miles to a point  $\frac{1}{4}$  mile south of the north line of Section 9, T21S, R7E; thence east approximately  $\frac{3}{4}$  mile to a point  $\frac{1}{2}$  mile east and  $\frac{1}{4}$  mile south of the northwest corner of Section 10, T21S, R7E; thence south  $1\frac{1}{4}$  miles; thence east 1 mile; thence south 6 miles; thence west 9 miles to a point  $\frac{1}{2}$  mile west and  $\frac{1}{2}$  mile south of the northeast corner of Section 17, T22S, R6E; thence north  $1\frac{1}{4}$  miles; thence west 1 mile; thence north  $\frac{3}{4}$  mile to a point  $\frac{1}{2}$  mile north and  $\frac{1}{2}$  mile east of the southwest corner of Section 6, T22S, R6E, Chase County; thence west 2 miles to a point  $\frac{1}{2}$  mile west and  $\frac{1}{2}$  mile south of the northeast corner of Section 2, T22S, R5E, Marion County; thence north 4 miles; thence west 1 mile; thence north approximately  $2\frac{1}{2}$  miles to a point  $\frac{1}{2}$  mile west of the northeast corner of Section 3, T21S, R5E; thence to a point  $\frac{5}{16}$  mile east of the southwest corner of Section 34, T20S, R5E; thence north  $3\frac{3}{4}$  miles; thence east  $1\frac{3}{16}$  miles; thence north 1 mile to a point  $\frac{1}{4}$  mile south and  $\frac{1}{2}$  mile west of the northeast corner of Section 11, T20S, R5E, Marion County; thence east 4 miles to a point  $\frac{1}{2}$  mile east and  $\frac{1}{4}$  mile south of the northwest corner of Section 9, T20S, R6E, Chase County; thence north  $1\frac{1}{2}$  miles; thence east  $1\frac{3}{4}$  miles; thence south  $\frac{3}{4}$  mile; thence east 2 miles to the point of beginning.

### **Saffordville, Kansas, Exchange Area**

Beginning at a point  $\frac{1}{4}$  mile east and  $\frac{1}{2}$  mile north of the southwest corner of Section 18, T18S, R10E, Lyon County, Kansas; thence south  $3\frac{7}{16}$  miles; thence west  $\frac{5}{16}$  mile; thence south  $3\frac{1}{16}$  miles; thence west  $\frac{7}{16}$  mile; thence south 1 mile; thence east  $\frac{7}{16}$  mile; thence south 8 miles; thence west approximately  $2\frac{1}{4}$  miles to Bloody Creek; thence in a northwesterly direction along said creek to a point  $\frac{1}{4}$  mile east of the west side of Section 21, T20S, R9E; thence north approximately 6 miles to Peyton Creek; thence in a northwesterly direction along said creek to a point  $\frac{1}{8}$  mile east of the west side of Section 18, T19S, R9E; thence north approximately  $5\frac{5}{8}$  miles to a point  $\frac{1}{2}$  mile north and  $\frac{1}{8}$  mile east of the southwest corner of Section 18, T18S, R9E; thence east  $\frac{5}{8}$  mile; thence north  $2\frac{3}{4}$  miles to a point  $\frac{1}{4}$  mile north and  $\frac{1}{4}$  mile west of the southeast corner of Section 31, T17S, R9E, Morris County, Kansas; thence east  $\frac{3}{4}$  mile; thence north  $\frac{1}{4}$  mile; thence east  $1\frac{1}{2}$  miles; thence south  $\frac{1}{2}$  mile to the Morris-Chase County line; thence east along said county line 1 mile to the northeast corner of Section 3, T18S, R9E, Chase County, Kansas; thence south 2 miles; thence east  $\frac{1}{2}$  mile; thence south  $\frac{1}{2}$  mile; thence east  $1\frac{3}{4}$  miles to the point of beginning.

11. Staff explained that because the Joint Application indicates that no operational changes will occur as a result of the transaction and the personnel of Sunflower and Bluestem both possess the requisite managerial, technical, and financial ability to provide local exchange carrier services in Kansas, it would be in the public interest to grant the Joint Application.

### **IV. Findings and Conclusions**

12. The Commission finds Staff's findings and recommendations to be reasonable and hereby adopts the same.

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

- A. Bluestem's COC and tariff are cancelled, effective January 1, 2019.
- B. Sunflower's COC service area is enlarged to include the Americus, Cedar Point, and Saffordville exchanges, effective January 1, 2019. Legal descriptions are provided above.

C. Sunflower shall file, in Docket No. 19-SFLT-189-COC, a revised tariff incorporating Bluestem's tariff without any changes to the tariff other than the name at least seven (7) days prior to January 1, 2019, with an effective date of January 1, 2019.

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).

E. The Commission retains jurisdiction over the subject matter and parties for the purpose of issuing such further order, or orders, as it may deem necessary.

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

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 11/27/2018 \_\_\_\_\_



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Lynn M. Retz  
Secretary to the Commission

MRN

# STATE OF KANSAS



CORPORATION COMMISSION  
UTILITIES DIVISION  
1500 SW ARROWHEAD ROAD  
TOPEKA, KS 66604-4027

PHONE: 785-271-3220  
FAX: 785-271-3357  
<http://kcc.ks.gov/>

GOVERNOR JEFF COLYER, M.D.

SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

## REPORT AND RECOMMENDATION UTILITIES DIVISION

**TO:** Chair Shari Feist Albrecht  
Commissioner Jay Scott Emler  
Commissioner Dwight D. Keen

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

**DATE:** November 16, 2018

**SUBJECT:** Docket No. 19-SFLT-189-COC

In the Matter of a Joint Application of Bluestem Telephone Company, Inc. for Permission to Cease Operating as a Telephone Public Utility and Sunflower Telephone Company, Inc. for Certificate of Convenience and Authority to Operate as Telephone Public Utility in the Area Served by Bluestem Telephone Company, Inc.

Docket No. 19-BSTT-172-CCS

In the Matter of a Joint Application of Bluestem Telephone Company, Inc., for Permission to Cease Operating as a Telephone Public Utility and Sunflower Telephone Company, Inc. for a Certificate of Convenience and Authority To Operate as a Telephone Public Utility in the Area Served by Bluestem Telephone Company, Inc.

### **EXECUTIVE SUMMARY:**

Sunflower Telephone Company, Inc. (Sunflower) and Bluestem Telephone Company, Inc. (Bluestem) filed a Joint Application on October 24, 2018, requesting approval for Sunflower to amend its Certificate to include the three exchanges served by Bluestem and to permit Bluestem to cancel its Certificate to operate as an Incumbent Local Exchange Carrier (ILEC) in the state of Kansas. Staff recommends approval of the Joint Application, to be effective January 1, 2019.

The Commission action date is **Monday, April 22, 2018.**

## **BACKGROUND:**

On January 17, 2017, in Docket No. 17-SFLT-283-ACQ (17-283), Consolidated Communications Holdings, Inc. (CCHI), the parent company of Consolidated Communications, Inc. (Consolidated), filed an Application for approval of its acquisition of FairPoint Communications, Inc.'s (FairPoint) common stock, giving CCHI indirect control of Bluestem, Sunflower, FairPoint Communications Missouri (FairPoint MO), and ST Long Distance, Inc. (STLD).

Sunflower, Bluestem, and FairPoint MO were each previously granted a Certificate to operate as an ILEC in the state of Kansas. STLD was previously granted a Certificate to operate as an interexchange carrier (IXC) in the state of Kansas.

In the 17-283 proceeding, CCHI demonstrated that it has the financial, technical, and managerial ability to operate the utilities it sought to acquire. Furthermore, CCHI pledged to maintain adequate staffing to maintain its eligible telecommunications carrier obligations and to meet the Commission's Quality of Service standards for ILECs. Staff recommended approval of the Joint Application and further recommended the Commission formalize CCHI's statement that recovery of the acquisition premium would not be from Kansas ratepayers.

In a letter dated May 3, 2017, Michael J. Shultz, Vice President of Regulatory and Public Policy for CCHI, confirmed that no portion of the acquisition premium incurred because of the acquisition would be recovered from Kansas ratepayers, through either rates or the Kansas Universal Service Fund (KUSF).<sup>1</sup> Therefore, The Commission approved the Application on June 6, 2017, conditioned upon CCHI not recovering any portion of the acquisition premium incurred because of the transaction from Kansas ratepayers, through either rates or the KUSF.<sup>2</sup>

Effective July 3, 2017, CCHI completed its acquisition of FairPoint. In a letter dated July 13, 2017, Michael J. Shultz, stated that the newly combined company will continue to be headquartered in Mattoon, IL and include approximately 4,400 employees. The consummation of the merger will not result in any changes in the terms or conditions of service or the manner in which any FairPoint company previously provided service to its customers.<sup>3</sup>

Following CCHI's acquisition of FairPoint, Consolidated has been operating both Sunflower and Bluestem under their existing names and Certificates. Consolidated is now preparing to make changes to its organizational structure, effective January 1, 2019. Pursuant to the proposed corporate restructuring, Bluestem would operate under the Sunflower name and Certificate. There would be no operational changes within the Bluestem service area and the existing central office would remain in place, as would its outside plant service personnel. The Application states it would be a simple rebranding of Bluestem's operations.

In order to accomplish this change, Sunflower's Certificated area needs to expand to include the Bluestem exchanges: Americus; Cedar Point; and Saffordville, and Sunflower's tariff needs to be

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<sup>1</sup> See Letter from Consolidated Communications to Commission Concerning Report and Recommendation, Docket No. 17-SFLT-283-ACQ, May 3, 2017.

<sup>2</sup> Order Approving Joint Application, Docket No. 17-SFLT-283-ACQ, June 6, 2017.

<sup>3</sup> FairPoint Post-Close Letter, Docket No. 17-SFLT-283-ACQ, July 13, 2017.



revised to incorporate Bluestem's rules, rates, and services. Furthermore, Bluestem's Certificate and tariff need to be cancelled.

### **ANALYSIS:**

According to the Application, the proposed consolidation would not result in any rate or operational changes. The residential local rate for the Sunflower exchanges is \$13.27 and \$16.74 for the Bluestem exchanges. As rural ILECs, the companies are both subject to the FCC's access reforms for rate-of-return carriers and have the same access rates.<sup>4</sup>

Neither Sunflower nor Bluestem receive KUSF or federal Connect America Fund support. Sunflower and Bluestem already operate as one study area for federal support purposes and receive approximately \$495,000 in frozen high-cost support.

The Application states that the consolidation would not result in any operational changes and the personnel of Sunflower and Bluestem both possess the requisite managerial, technical and financial ability to provide ILEC services in Kansas. Staff, therefore, believes it is appropriate and in the public interest to amend Sunflower's ILEC Certificate to include the legal descriptions of Bluestem's service area: the Americus; Cedar Point; and Saffordville exchanges. It is also appropriate and in the public interest to cancel Bluestem's Certificate to operate as an ILEC in the state of Kansas. Sunflower's tariff shall be revised to incorporate Bluestem's rules, rates, and services, to be effective January 1, 2019, without any changes to the tariff other than the name. Furthermore, Bluestem's Certificate and tariff shall be cancelled effective January 1, 2019.

Accordingly, Sunflower's service area should be revised to include the Bluestem exchanges: Americus; Cedar Point; and Saffordville, which are defined as follows:

### **Americus, Kansas, Exchange Area**

Beginning at a point  $\frac{1}{2}$  mile north and  $\frac{1}{2}$  mile west of the southeast corner of Section 17, T14S, R10E, Wabaunsee County, Kansas; thence east 7 miles; thence south  $6\frac{3}{4}$  miles to a point  $\frac{1}{4}$  mile south and  $\frac{1}{2}$  mile east of the northwest corner of Section 21, T15S, R11E, Lyon County; thence west  $3\frac{1}{4}$  miles; thence south  $3\frac{1}{4}$  miles; thence east  $1\frac{1}{2}$  miles; thence south  $2\frac{1}{4}$  miles; thence east  $\frac{1}{2}$  mile; thence south  $\frac{3}{4}$  mile; thence west  $\frac{1}{2}$  mile; thence south  $\frac{3}{4}$  mile; thence east  $\frac{3}{4}$  mile; thence south 1 mile; thence east  $\frac{3}{8}$  mile; thence south  $1\frac{3}{8}$  miles; thence east  $\frac{3}{8}$  mile; thence south  $1\frac{5}{8}$  miles; thence east 1 mile; thence south  $2\frac{1}{2}$  miles; thence east  $\frac{1}{4}$  mile; thence south  $1\frac{3}{4}$  miles; thence east  $\frac{7}{16}$  mile; thence south  $\frac{9}{16}$  mile; thence west  $\frac{3}{16}$  mile; thence south  $1\frac{7}{16}$  miles; thence west  $\frac{5}{8}$  mile; thence south  $\frac{7}{8}$  mile; thence west  $\frac{1}{2}$  mile; thence south  $\frac{1}{4}$  mile to a point  $\frac{1}{4}$  mile west and  $\frac{3}{8}$  mile north of the southeast corner of Section 20, T18S, R11E; thence west  $1\frac{1}{2}$  miles; thence south  $\frac{1}{8}$  mile; thence west approximately  $\frac{3}{8}$  mile to the Neosho River; thence westerly along said river to a point  $\frac{1}{4}$  mile east of the west side of Section 24; T18S, R10E; thence south approximately  $\frac{1}{2}$  mile to a point  $\frac{1}{4}$  mile north and  $\frac{1}{4}$  mile east of the southwest corner of Section 24; T18S, R10E; thence west 1 mile; thence north  $\frac{1}{2}$  mile; thence west 4 miles; thence north  $\frac{3}{4}$  mile; thence west  $1\frac{3}{4}$  miles; thence north  $\frac{1}{2}$  mile; thence west  $\frac{1}{2}$  mile; thence

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<sup>4</sup> The FCC approved Consolidated's request to allow the ILECs to remain under rate-of-return regulation on May 8, 2017. See: <https://docs.fcc.gov/public/attachments/DA-17-432A1.pdf>.

north 2 miles to the northwest corner of Section 2, T18S, R9E; thence east 3 miles; thence north 2 miles; thence east  $1\frac{1}{2}$  miles; thence north 1 mile; thence west  $\frac{1}{2}$  mile; thence north 1 mile; thence west  $\frac{1}{8}$  mile; thence north  $\frac{1}{2}$  mile; thence east  $\frac{1}{8}$  mile; thence north  $\frac{1}{2}$  mile; thence west  $\frac{1}{4}$  mile; thence north 1 mile; thence west  $\frac{1}{2}$  mile; thence north 1 mile; thence west  $1\frac{1}{4}$  miles; thence north 1 mile; thence east  $\frac{1}{2}$  mile; thence north  $\frac{5}{8}$  mile; thence west  $\frac{1}{2}$  mile; thence north  $3\frac{3}{8}$  miles; thence east  $\frac{1}{2}$  mile; thence north  $6\frac{1}{2}$  miles; thence east 1 mile; thence north 3 miles to a point of beginning.

#### **Cedar Point, Kansas, Exchange Area**

Beginning at a point  $\frac{1}{2}$  mile north and  $\frac{1}{4}$  mile east of the southwest corner of Section 6, T20S, R7E, Chase County, Kansas; thence south  $2\frac{3}{4}$  miles; thence east  $2\frac{1}{4}$  miles; thence south approximately 4 miles to a point  $\frac{1}{4}$  mile south of the north line of Section 9, T21S, R7E; thence east approximately  $\frac{3}{4}$  mile to a point  $\frac{1}{2}$  mile east and  $\frac{1}{4}$  mile south of the northwest corner of Section 10, T21S, R7E; thence south  $1\frac{1}{4}$  miles; thence east 1 mile; thence south 6 miles; thence west 9 miles to a point  $\frac{1}{2}$  mile west and  $\frac{1}{2}$  mile south of the northeast corner of Section 17, T22S, R6E; thence north  $1\frac{1}{4}$  miles; thence west 1 mile; thence north  $\frac{3}{4}$  mile to a point  $\frac{1}{2}$  mile north and  $\frac{1}{2}$  mile east of the southwest corner of Section 6, T22S, R6E, Chase County; thence west 2 miles to a point  $\frac{1}{2}$  mile west and  $\frac{1}{2}$  mile south of the northeast corner of Section 2, T22S, R5E, Marion County; thence north 4 miles; thence west 1 mile; thence north approximately  $2\frac{1}{2}$  miles to a point  $\frac{1}{2}$  mile west of the northeast corner of Section 3, T21S, R5E; thence to a point  $\frac{5}{16}$  mile east of the southwest corner of Section 34, T20S, R5E; thence north  $3\frac{3}{4}$  miles; thence east  $1\frac{3}{16}$  miles; thence north 1 mile to a point  $\frac{1}{4}$  mile south and  $\frac{1}{2}$  mile west of the northeast corner of Section 11, T20S, R5E, Marion County; thence east 4 miles to a point  $\frac{1}{2}$  mile east and  $\frac{1}{4}$  mile south of the northwest corner of Section 9, T20S, R6E, Chase County; thence north  $1\frac{1}{2}$  miles; thence east  $1\frac{3}{4}$  miles; thence south  $\frac{3}{4}$  mile; thence east 2 miles to the point of beginning.

#### **Saffordville, Kansas, Exchange Area**

Beginning at a point  $\frac{1}{4}$  mile east and  $\frac{1}{2}$  mile north of the southwest corner of Section 18, T18S, R10E, Lyon County, Kansas; thence south  $3\frac{7}{16}$  miles; thence west  $\frac{5}{16}$  mile; thence south  $3\frac{1}{16}$  miles; thence west  $\frac{7}{16}$  mile; thence south 1 mile; thence east  $\frac{7}{16}$  mile; thence south 8 miles; thence west approximately  $2\frac{1}{4}$  miles to Bloody Creek; thence in a northwesterly direction along said creek to a point  $\frac{1}{4}$  mile east of the west side of Section 21, T20S, R9E; thence north approximately 6 miles to Peyton Creek; thence in a northwesterly direction along said creek to a point  $\frac{1}{8}$  mile east of the west side of Section 18, T19S, R9E; thence north approximately  $5\frac{5}{8}$  miles to a point  $\frac{1}{2}$  mile north and  $\frac{1}{8}$  mile east of the southwest corner of Section 18, T18S, R9E; thence east  $\frac{5}{8}$  mile; thence north  $2\frac{3}{4}$  miles to a point  $\frac{1}{4}$  mile north and  $\frac{1}{4}$  mile west of the southeast corner of Section 31, T17S, R9E, Morris County, Kansas; thence east  $\frac{3}{4}$  mile; thence north  $\frac{1}{4}$  mile; thence east  $1\frac{1}{2}$  miles; thence south  $\frac{1}{2}$  mile to the Morris-Chase County line; thence east along said county line 1 mile to the northeast corner of Section 3, T18S, R9E, Chase County, Kansas; thence south 2 miles; thence east  $\frac{1}{2}$  mile; thence south  $\frac{1}{2}$  mile; thence east  $1\frac{3}{4}$  miles to the point of beginning.

**RECOMMENDATION:**

Staff believes it is in the public interest to approve the Joint Application. Specifically, Staff recommends the Commission cancel Bluestem's ILEC Certificate and tariff, effective January 1, 2019, concurrent with the approval of Sunflower's expanded Certificate and tariff. Staff recommends the Commission grant the request to amend Sunflower's ILEC Certificate to include the Bluestem exchanges, as described above, with an effective date of January 1, 2019. Finally, Staff recommends the Commission direct Sunflower to file, in Docket No. 19-SFLT-189-COC, a revised tariff incorporating Bluestem's tariff without any changes to the tariff other than the name at least 7 days prior to January 1, 2019, with an effective date of January 1, 2019.

## **CERTIFICATE OF SERVICE**

19-BSTT-172-CCS

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail and electronic service on 11/27/2018.

KEVIN J KASTOR, DIRECTOR-GOVERNMENT AFFAIRS  
CONSOLIDATED COMMUNICATIONS, INC.  
350 S LOOP 336 WEST  
CONROE, TX 77304-3308  
kevin.kastor@consolidated.com

RACHEL LIPMAN REIBER, ATTORNEY  
REIBER LAW OFFICE, LLC  
214 S CHESTNUT, SUITE 3  
OLATHE, KS 66061  
Fax: 913-782-4445  
rlreiberlaw@gmail.com

MICHAEL NEELEY, LITIGATION COUNSEL  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
Fax: 785-271-3167  
m.neeley@kcc.ks.gov

NICOLE STEPHENS, KUSF ADMINISTRATOR MANAGER  
GVNW CONSULTING, INC.  
2930 MONTVALE DRIVE, STE. B  
SPRINGFIELD, IL 62704  
Fax: 719-594-5803  
nstephens@gvnw.com

/S/ DeeAnn Shupe  
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DeeAnn Shupe