

THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

Before Commissioners: Pat Apple, Chairman  
Shari Feist Albrecht  
Jay Scott Emler

In the Matter of Staff's Petition to Open a )  
General Investigation to Write-Off the )  
Delinquent Balance on TeleDias ) Docket No. 18-GIMT-077-KSF  
Communications, Inc.'s Universal Service )  
Fund (KUSF) Account, KS 005673. )

**ORDER AUTHORIZING GVNW TO WRITE-OFF TELEDIAS'S KUSF CREDIT  
BALANCE, MAINTAIN BALANCE IN KUSF, AND CLOSE ACCOUNT**

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:

1. On August 14, 2017, Commission Staff (Staff) submitted a Report and Recommendation (R&R) to the Commission requesting it to issue an Order authorizing GVNW Consulting, Inc. (GVNW), the current third-party Kansas Universal Service Fund (KUSF) administrator<sup>1</sup>, to write-off TeleDias Communications, Inc.'s (TeleDias) KUSF credit balance, close its account, and retain the monies in the KUSF. The R&R is attached hereto and made a part hereof by reference.

2. Staff states in its R&R that TeleDias accumulated a KUSF credit balance in 2014, 2015, and 2016, totaling \$218.86. However, each year, TeleDias elected not to apply the credit balance towards its annual assessment and did not provide bank information to GVNW to allow it to process a refund arising from any of its Annual True-Ups. On June 8, 2017, the Commission opened Docket No. 17-TDCC-533-SHO to address TeleDias's non-compliance

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<sup>1</sup>See K.S.A. 66-2010.

with various statutory and regulatory obligations. The Commission directed TeleDias to respond within 30 days of the issuance of the Order, which it did not. Therefore, on July 27, 2017, the Commission revoked TeleDias's Certificate of Convenience and directed GVNW to remove TeleDias from the active KUSF contributor files.

3. Staff explained in its R&R that the Commission's write-off policy, adopted on June 2, 2000, allows GVNW to write-off balances, after notification to the Commission Staff, when: (1) the balance owed to the KUSF is \$99.00 or less and the company is at least 180 days delinquent with its KUSF obligations; or (2) a balance of \$99.00 or less is owed to a company and the company is no longer operating in Kansas or the administrator does not have any current contacts for the company. If a final balance cannot be determined because the Company has failed to comply with all KUSF requirements and GVNW or the Commission do not have any current contacts for the Company, a credit balance may be retained in the KUSF.

4. Staff stated that GVNW submitted a memorandum requesting the Commission to issue an Order authorizing GVNW to write-off the \$218.86 credit balance on TeleDias's KUSF account and retain the monies in the KUSF, pursuant to the Commission's write-off policy.

5. Staff found GVNW's request to be within the parameters of the write-off policy and recommended approval of its request, with two conditions. First, Staff recommended that GVNW be required to maintain TeleDias's KUSF records in a manner that would allow GVNW to track the reason for the write-off, the amount written-off, and any future transactions applicable to the company's account. Second, GVNW shall notify Staff of any future transactions or correspondence with TeleDias.

6. 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. GVNW is authorized to write-off the \$218.86 credit balance on TeleDias's KUSF account, retain the monies in the KUSF, and close TeleDias' KUSF account.

B. GVNW shall maintain its records in such a manner that allows it to track the amount written off, the reason for the write-off, and any future transactions applicable to TeleDias's account, and notify the Commission Staff of any future transactions or correspondence with TeleDias.

C. The parties have fifteen (15) days, plus three (3) days if service of this order is by mail, from the date this order was served in which to petition the Commission for reconsideration of any issue or issues decided herein. K.S.A. § 66-118b; K.S.A. § 77-529(a)(1).

D. 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.**

Apple, Chairman; Albrecht, Commissioner; Emler, Commissioner

Dated: AUG 24 2017

  
Lynn M. Retz  
Secretary to the Commission

MRN

**Order Mailed Date**

**AUG 25 2017**

**REPORT AND RECOMMENDATION  
UTILITIES DIVISION**

**TO:** Chairman Pat Apple  
Commissioner Shari Feist Albrecht  
Commissioner Jay Scott Emler

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

**DATE:** August 14, 2017

**SUBJECT:** Docket No. 18- GIMT -077- KSF  
*In the Matter of Staff's Petition to Open a General Investigation to Write-Off the Delinquent Balance on TeleDias Communications, Inc.'s Universal Service Fund (KUSF) Account, KS 005673.*

**EXECUTIVE SUMMARY:**

GVNW Consulting, Inc. (GVNW), the Kansas Universal Service Fund (KUSF) Administrator, requests authorization to write-off the \$218.86 credit balance on TeleDias Communications, Inc.'s (TeleDias) KUSF account and retain the monies in the KUSF. GVNW's Memorandum is attached to this Report.

Staff recommends that the Commission issue an Order authorizing GVNW to write-off the \$218.86 credit balance on TeleDias' KUSF account and retain the monies in the Fund. Staff further recommends that GVNW be directed to: (1) maintain TeleDias' and all related KUSF records in a manner that will allow GVNW to track the reason for the write-off, the amount written-off, and any future transactions applicable to the Company's account; and (2) notify Staff of any future transactions or correspondence with TeleDias.

**BACKGROUND:**

On December 6, 2004, the Commission granted TeleDias a Certificate of Convenience (COC) to conduct business as an Interexchange Carrier (IXC) in Kansas.<sup>1</sup> TeleDias subsequently registered with the KUSF and reported intrastate switched toll and/or long distance service revenue and paid the related assessments to the KUSF for the period of March 2008 through February 2016.

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<sup>1</sup> Docket No. 05-TDCC-373-COC, Dec. 6, 2004 Order and Certificate.

Based on its annual operating level, TeleDias elected to report its revenue and pay its assessments on an annual basis. As an annual reporter, TeleDias reported its estimated annual revenue and paid the related assessments and, at the end of a KUSF Fiscal Year, remitted an Annual True-up to report its actual revenues and KUSF assessments. The credit balance on TeleDias' KUSF account is the result of the following:

- On March 25, 2014, TeleDias remitted its Annual True-up for the March 2013 through February 2014 Fiscal Year, resulting in a credit balance on the Company's account;
- on March 23, 2015, TeleDias remitted the Annual True-up for the March 2014 through February 2015 Fiscal Year, resulting in an additional credit balance on the Company's account; and
- on March 23, 2016, the Company remitted its Annual True-up for the March 2015 through February 2016 Fiscal Year. This True-up also resulted in a credit balance being accumulated on the Company's KUSF account.

Each year, TeleDias elected not to apply the credit balance towards its annual assessment and did not provide bank information to GVNW to allow it to process a refund arising from any of the Annual True-Ups.

On June 8, 2017, the Commission opened Docket No. 17-TDCC-533-SHO to address TeleDias' non-compliance with various statutory and regulatory obligations.<sup>2</sup> The Commission directed TeleDias to respond within 30 days of the issuance of the Order, which it did not. The Commission, therefore, on July 27, 2017, issued an Order Revoking Certificate and directing GVNW to remove TeleDias from the active KUSF contributor files.

### **ANALYSIS:**

TeleDias maintained a COC to provide IXC services in Kansas between December 2004 and July 2017. The Commission, however, revoked TeleDias' COC as a result of failing to comply with its regulatory and statutory obligations on July 27, 2017. Staff's Report and Recommendation did not address the \$218.86 credit balance on TeleDias' KUSF account and, therefore, neither did the Commission's Order.

The Commission's write-off policy, adopted on June 2, 2000, allows GVNW to write-off balances, after notification to the Commission Staff, when: (1) the balance owed to the KUSF is \$99.00 or less and the company is at least 180 days delinquent with its KUSF obligations; or (2) a balance of \$99.00 or less is owed to a company and the company is no longer operating in Kansas or the administrator does not have any current contacts for the company. If a final balance cannot be determined because the Company has failed to comply with all KUSF requirements or GVNW or the Commission do not have any current contacts for the Company, a credit balance may be retained in the Fund.

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<sup>2</sup> Docket No. 17-TDCC-533-SHO.

Since TeleDias' \$218.86 credit balance exceeds the Commission's \$99.00 write-off threshold, the Commission must issue an Order authorizing GVNW to write-off the balance and retain the monies in the KUSF. GVNW, therefore, submitted its Memorandum to request that the Commission issue an Order authorizing GVNW to write-off the credit balance on TeleDias' KUSF account and retain the monies in the Fund.

**RECOMMENDATION:**

Staff recommends that the Commission issue an Order authorizing GVNW to write-off the \$218.86 credit balance on TeleDias' KUSF account and retain the monies in the Fund. Staff further recommends that GVNW be directed to: (1) maintain TeleDias' and all related KUSF records in a manner that will allow GVNW to track the reason for the write-off, the amount written-off, and any future transactions applicable to the Company's account; and (2) notify Staff of any future transactions or correspondence with TeleDias.



## KUSF Write-Off MEMO

Date: August 14, 2017  
To: Sandy Reams, Assistant Chief of Telecommunications  
From: Nicole Stephens  
RE: TeleDias Communications, Inc., KS005673

### **BACKGROUND**

This memorandum requests that the Kansas Corporation Commission (Commission authorize GVNW Consulting, Inc. (GVNW), as the Kansas Universal Service Fund (KUSF) Administrator, to write-off and retain in the Fund a credit balance of \$218.86 on TeleDias Communications, Inc.'s ("TeleDias") KUSF account. This balance is the cumulative result of the FY 17 (March 2013 – February 2014) Annual True-up, which was submitted on March 25, 2014, the FY 18 (March 2014 – February 2015) Annual True-up, which was submitted on March 23, 2015 and the FY 19 (March 2015 – February 2016) Annual True-up, which was submitted on March 23, 2016. The annual true-up submissions created a credit balance, which has remained on the company's account since March 2016. TeleDias reported and paid on an Annual basis for all periods. The company opted not to apply the credit balance against the Annual assessment due.

The write-off policy adopted by the Commission on June 2, 2000, allows GVNW to write-off certain balances, after notification to the Commission Staff: (1) the balance owed to the KUSF is \$99.00 or less and the company is at least 180 days delinquent with its KUSF obligations, or (2) a balance of \$99.00 or less is owed to a company and the company is no longer operating in Kansas or the administrator does not have any current contacts for the company. GVNW is requesting a Commission Order authorizing GVNW to write-off and retain the credit balance in the Fund since the credit balance exceeds the \$99.00 threshold, and the company is no longer operating in Kansas.

### **ANALYSIS**

TeleDias was registered with the KUSF as an IXC, and reported Intrastate Switched Toll/Long Distance retail revenues to the KUSF for the March 2008 – February 2016 periods and paid the related assessments.

On July 27, 2017, the Kansas Corporation Commission revoked the IXC certificate for TeleDias in Docket No. 17-TDCC-533-SHO. The KUSF account was closed by GVNW on August 11, 2017.

## **RECOMMENDATION**

GVNW is seeking authorization to write-off and retain the credit balance of \$218.86 in the Fund. GVNW will retain the KUSF records in such a manner as to track the write-off, the reason for the write-off, and any future transactions applicable to this Company's files.



## **CERTIFICATE OF SERVICE**

18-GIMT-077-KSF

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/hand delivered on **AUG 24 2017**.

RESIDENT AGENT, THE CORPORATION COMPANY, INC.  
TELEDIAS COMMUNICATIONS, INC.  
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/S/ DeeAnn Shupe  
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DeeAnn Shupe

**Order Mailed Date**

**AUG 25 2017**