

**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 the Audit of Covoda Communications,)
Inc. by the Kansas Universal Service Fund (KUSF))
Administrator Pursuant to K.S.A. 2017 Supp. 66-2010(b)) Docket No. 19-CVCV-035-KSF
for KUSF Operating Year 21, Fiscal Year March 2017-)
February 2018.)

ORDER ADOPTING AUDIT REPORT AND CLOSING DOCKET

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 record, and being duly advised in the premises, the Commission finds and concludes as follows:

1. On August 21, 2018, the Commission directed GVNW Consulting, Inc. (GVNW) to perform an audit of Covoda Communications, Inc. (“Covoda”) for Kansas Universal Service Fund (KUSF) purposes.

2. On January 4, 2019, GVNW filed its Audit Report, dated January 2, 2019, indicating Covoda did not generate any intrastate retail revenue that is subject to KUSF reporting requirements. The Audit Report also is supported by an affidavit of the Vice President of Covoda, which affirms Covoda did not generate any Kansas intrastate retail revenue during KUSF Operating Year 21 subject to KUSF contribution requirements.

3. The Audit Report states Covoda generated only minimal Kansas retail revenue during Operating Year 20 from March 2016 through February 2017 and did not generate intrastate revenue for Operating Year 21 from March 2017 to February 2018 as well as Operating Year 22 from March 2018 to the present. As required by Commission Approved Audit Review

Procedures¹, Covoda provided a notarized affidavit by a corporate officer verifying Covoda had no Kansas intrastate retail revenue for the applicable audit period. GVNW reviewed Covoda's revenue reporting records as a further test to confirm that no Kansas intrastate retail revenue was generated.

4. As long as Covoda continues to anticipate offering service in Kansas, it is directed to remit an Annual Company Identification and Operations Form and to report intrastate retail revenue to the KUSF Administrator at any point in time it generates revenue subject to the KUSF. Alternatively, if Covoda does not intend to offer service in Kansas, it may remit a letter to the Commission and GVNW, on company letterhead and signed by an officer, stating it is not operating in Kansas.

5. The Commission has reviewed GVNW's January 2, 2019 Audit Report and concludes it should be adopted and the docket closed. The Commission does direct Covoda to report to the KUSF Administrator at any point in time that it generates intrastate revenue subject to KUSF reporting requirements.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Commission accepts and adopts GVNW Consulting, Inc.'s Audit Report filed January 2, 2019.

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

C. The Commission retains jurisdiction over Covoda Communications, Inc. and the subject matter of this Docket for the purpose of issuing such additional orders as it may deem necessary.

¹ KCC Approved Audit Review Procedures, Section IX.B (1) (c), page 13.

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

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 01/17/2019



Lynn M. Retz
Secretary to the Commission

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CERTIFICATE OF SERVICE

19-CVCV-035-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 01/18/2019.

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/S/ DeeAnn Shupe

DeeAnn Shupe