

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

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

In the Matter of the Application of Southwestern)
Bell Telephone Company for Interconnection)
and Reciprocal Compensation Agreement Under) Docket No. 99-SWBT-468-IAT
the Telecommunications Act of 1996 with)
Panhandle Telecommunication Systems, Inc.)

ORDER APPROVING AMENDED INTERCONNECTION AGREEMENT

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 July 27, 2017, Southwestern Bell Telephone Company d/b/a AT&T Kansas (AT&T) filed an Application requesting Commission approval of a modification to the Interconnection Agreement approved by the Commission on February 16, 1999, between AT&T and Panhandle Telecommunication Systems, Inc. (Panhandle). Supplementing its Application, AT&T included a copy of the Amendment to the Interconnection Agreement (Amendment) executed by the parties on June 7, 2017, and the Affidavit of Richard T. Howell, AT&T's Area Manager-Regulatory Relations. AT&T's requested modification implements the Carrier Compensation Rate requirements per the Connect America Fund Order and the ICC Reform Order¹ and modifies the notices in the original Agreement. The Amendment expires with the

¹*Connect America Fund et al.*, WC Docket No. 10-90 et al, Report and Order issued by the Federal Communications Commission (FCC) on November 18, 2011 (FCC 11-161), and as amended by the FCC on December 23, 2011 (FCC 11-89) (FCC ICC Reform Order).

current Agreement.² The Interconnection Agreement and proposed Amendment are collectively referred to herein as “amended Agreement”.

2. On August 15, 2017, the Commission Staff (Staff) submitted its Report and Recommendation dated August 10, 2017, recommending the Commission grant AT&T’s Application and approve the amended Agreement between AT&T and Panhandle. Staff confirms that the requested modification amends the current Agreement to include the modifications referenced in paragraph 1 above. According to Staff, Panhandle was issued a Certificate of Convenience and Authority (Certificate) pursuant to the Commission’s Order of October 19, 2006, in Docket No. 07-PHTT-039-COC, to provide Competitive Local Exchange (CLEC) service. Also on October 19, 2006, the Commission issued Panhandle a Certificate authorizing the company to provide Interexchange (IXC) service in the State of Kansas. Panhandle is properly registered with the Kansas Secretary of State’s office as a foreign for profit corporation whose status is reported as active and in good standing.³

3. The Commission derives its authority to supervise telecommunications public utilities from K.S.A. 2016 Supp. 66-1,188. K.S.A. 66-1,190 requires all telecommunications public utilities doing business in Kansas to:

...publish and file with the commission copies of all schedules of rates, joint rates, tolls, charges, classifications and divisions of rates affecting Kansas traffic, either state or interstate, and shall furnish the commission copies of all rules and regulations and contracts between such telecommunications public utilities pertaining to any and all jurisdictional services to be rendered by such telecommunications public utilities.

Section 252(e)(2) of the Federal Act [47 U.S.C. §252(e)(2)] requires the Commission to presume that interconnection agreements entered into through negotiation and submitted for Commission approval are valid unless:

²Report and Recommendation, page 1.

³Id., page 2.

- (1) the agreement (or portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or
- (2) the implementation of such an agreement or portion is not consistent with the public interest, convenience, and necessity.

4. AT&T contends that implementation of the amended Agreement complies fully with Section 252(e) of the Telecommunications Act of 1996 (Federal Act) and is consistent with the public interest, convenience, and necessity and does not discriminate against any telecommunications carrier. Staff states that it has reviewed the requested modification and found no language that discriminates against other telecommunication carriers not a party to the Agreement or language that is inconsistent with the public interest, convenience, and necessity. Concluding, Staff determines that AT&T's requested modifications are in compliance with FCC Orders and finds no cause for concern regarding this filing. Staff recommends the Commission grant AT&T's Application and approve the amended Agreement.⁴

5. The Commission adopts Staff's analysis and recommendation of August 10, 2017, as stated in its Report and Recommendation, which is attached hereto and made a part hereof by reference, and finds that AT&T's Application should be granted and the amended Agreement between AT&T Kansas and Panhandle should be approved.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The July 27, 2017 Application of Southwestern Bell Telephone Company d/b/a AT&T Kansas is hereby granted and the amended Interconnection Agreement between AT&T Kansas and Panhandle Telecommunication Systems, Inc. is hereby approved.

B. 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

⁴Ibid., page 2.

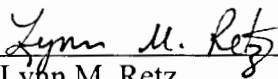
reconsideration of any issue or issues decided herein. K.S.A. 66-118b; K.S.A. 2016 Supp. 77-529(a)(1).

C. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering 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 22 2017


Lynn M. Retz
Secretary to the Commission

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Order Mailed Date

AUG 23 2017

REPORT AND RECOMMENDATION

UTILITIES DIVISION

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

FROM: Paula Artzer, Senior Telecommunications Analyst
Christine Aarnes, Chief of Telecommunications
Jeff McClanahan, Director of Utilities

DATE: August 10, 2017

SUBJECT: 99-SWBT-468-IAT
In the Matter of the Application of Southwestern Bell Telephone Company for Interconnection and Reciprocal Compensation Agreement Under the Telecommunications Act of 1996 with Panhandle Telecommunication Systems, Inc.

EXECUTIVE SUMMARY:

On July 27, 2017, Southwestern Bell Telephone Company d/b/a AT&T Kansas (AT&T) filed an Application for approval of an Interconnection Agreement Amendment (Amendment) between AT&T and Panhandle Telecommunications Systems, Inc. (Panhandle). Staff recommends approval of the filing.

BACKGROUND:

On June 7, 2017, AT&T and Panhandle entered into an Amendment to implement the Carrier Compensation Rate requirements per the Connect America Fund Order and the ICC Reform Order¹ and to modify the notices in the original Agreement. AT&T filed for approval of this Amendment between AT&T and Panhandle. The Amendment expires concurrent with the existing Agreement.

¹ *Connect America Fund et al.*, WC Docket No. 10-90 et al, Report and Order issued by the Federal Communications Commission ("FCC") on November 18, 2011 (FCC 11-161), and as amended by the FCC on December 23, 2011 (FCC 11-189) ("FCC ICC Reform Order").

AT&T is the largest local exchange carrier (LEC) operating in Kansas. The Company's largest service areas are Kansas City, Topeka, and Wichita. AT&T is headquartered in Topeka, Kansas.

Panhandle is headquartered in Guymon, Oklahoma, and is registered as a corporation in Oklahoma. Panhandle received Certificates of Convenience and Authority on October 19, 2006, in Docket 07-PHTT-039-COC to provide Competitive Local Exchange (CLEC) service and 07-PHTT-038-COC, on October 19, 2006, to provide Interexchange (IXC) Service in the state of Kansas. Panhandle is registered with the Kansas Secretary of State's office and is "active and in good standing" with that office.

ANALYSIS:

The Commission derives its authority to supervise telecommunications public utilities from K.S.A. 66-1,188. K.S.A. 66-1,190 requires all telecommunications public utilities doing business in Kansas over which the Commission has control to "publish and file with the commission copies of all schedules of rates, joint rates, tolls, charges, classifications and divisions of rates affecting Kansas traffic, either state or interstate, and shall furnish the commission copies of all rules and regulations and contracts between such telecommunications public utilities pertaining to any and all jurisdictional services to be rendered by such telecommunications public utilities."

The U.S. Congress and the Federal Communications Commission (FCC) have pre-empted certain aspects of state regulation of interconnection between telecommunications carriers. Section 252(e)(2) of the Federal Telecommunications Act of 1996 (47 U.S.C. §252(e)(2)) requires the Commission to presume that interconnection agreements entered into through negotiation and submitted for Commission approval are valid unless:

- 1) the agreement (or portions thereof) discriminates against a telecommunications carrier not a party to the agreement; or
- 2) the implementation of such an agreement (or portions thereof) is not consistent with the public interest, convenience, and necessity.

AT&T affirms that implementation of this Amendment complies fully with Section 252(e) of the Federal Act because the Amendment to the Agreement is consistent with the public interest, convenience and necessity and does not discriminate against any telecommunications carrier.

Staff does not have any concerns regarding this Application. Staff reviewed the Amendment and did not find any language that discriminates against other telecommunications carriers not a party to the Agreement or language that is inconsistent with the public interest, convenience, and necessity. Changes made to the Agreement by this Amendment are in compliance with FCC Orders.

RECOMMENDATION:

Staff recommends the Commission grant approval of this Amendment to the Interconnection Agreement between AT&T Kansas and Panhandle. Staff finds no evidence of discrimination against other parties and finds that approval is in the public interest.

CERTIFICATE OF SERVICE

99-SWBT-468-IAT

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 22 2017.

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/S/ DeeAnn Shupe

DeeAnn Shupe

Order Mailed Date

AUG 23 2017