

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Dwight D. Keen, Chair
 Susan K. Duffy
 Andrew J. French

In the Matter of the Audit of Intrado)
Communications, LLC by the Kansas Universal)
Service Fund (KUSF) Administrator) Docket No. 22-KDLT-029-KSF
Pursuant to K.S.A. 66-2010 (b) for KUSF)
Operating Year 24, Fiscal Year March 2020-)
February 2021.)

ORDER ADOPTING AUDIT REPORT

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, 2021, the Commission directed Vantage Point Solutions (VPS) to perform an audit of Intrado Communications, LLC (hereinafter referred to as “Intrado”) for Kansas Universal Service Fund (KUSF) purposes.

2. On June 9, 2022, VPS filed its Audit Report making two findings for Intrado in Operating Year 24.¹ VPS revised its Audit Report on June 14, 2022. The VPS Audit Report, as revised and referenced as the “Audit Report,” includes the findings set out below:

Audit Finding No. 1:

Intrado did not complete Box C of the Carrier Remittance Worksheet (CRW) for Fiscal Year 23 and Fiscal Year 24, with no financial impact to the KUSF;

Audit Finding No. 2:

Intrado’s 2020 Annual Interrogatory reported less revenue to the KUSF than was reported to the KUSF.

¹ Kansas Universal Service Fund Audit Report, Docket No. 22-KDLT-029-KSF (June 3, 2022).

3. The Commission finds the VPS Audit Report to be thorough and complete and accepts it as filed. The Audit Report provides a detailed analysis to support the VPS findings. It recommends Intrado file True-up Reports for Operating Years 23 and 24, March 2019 to February 2021, to correctly complete Box C and report the actual KUSF surcharge amounts collected from customers. The Audit Report also proposes that Intrado file a revised Annual Interrogatory for 2020 to correctly report Annual Kansas Intrastate Retail Revenues to the KUSF. In conjunction with its findings, VPS endorses Intrado filing an affidavit of a corporate officer attesting to the Company taking corrective action to permit it to correctly report the KUSF surcharge collected from customers in Box C of the CRWs and the date procedures were put into place to correct this deficiency. VPS advises having Intrado directed to take corrective action within 60 days of the Order Adopting the Report, with VPS filing a Compliance Report within 90 days of the Order. The Commission now addresses the GVNW recommendations.

4. Intrado is a competitive local exchange and interexchange carrier headquartered in Lancaster, Texas. It collects KUSF assessments from its Kansas customers. It is required to report revenue and pay related assessments to the KUSF on an annual basis. Intrado is not designated as an Eligible Telecommunications Carrier and does not offer Lifeline service to its customers. In determining revenue for KUSF purposes, Intrado reports revenue and remits assessments to the KUSF by using a direct assignment methodology for local monthly recurring and usage charges, as well as minutes of use for long distance and related charges. It states it uses the same methodology for Federal USF reporting purposes.

5. Audit Finding No. 1 indicates Intrado did not report amounts collected from customers in Box C of its CRW for Fiscal Year 24, but indicates the error did not impact amounts

owed to the KUSF. VPS recommends Intrado file an affidavit signed by a corporate officer attesting to changes in reporting procedures for identifying the KUSF surcharge collected from customers in Box C of its annual CRWs and the date the procedures were implemented. VPS also proposes to have Intrado make corrections of the KUSF surcharge collected from customers in Box C in the True-up Reports for Fiscal Years 23 and 24.

6. Audit Finding No. 2 indicates Intrado reported less intrastate retail revenue to the KUSF in its Annual 2020 Annual Interrogatory than was actually reported to the KUSF. In the 2020 Interrogatory, Intrado reported the Kansas Universal Service Fund surcharge collected from customers rather than intrastate revenue. VPS recommended that Intrado be ordered to file a revised Annual Interrogatory for 2020 to show the correct amount of revenue reported to the KUSF.

7. The Commission adopts the recommendations of VPS in its Audit Report and Finding Nos. 1 and 2. Intrado shall file Audit True-up Reports to correctly report the KUSF surcharge collected from customers in Box C for Fiscal Years 23 and 24. Additionally, Intrado is directed to file an affidavit signed by a corporate officer attesting to correcting the failure to complete Box C of the CRWs to reflect the amounts actually collected from customers for KUSF assessments and the date changes were made to its reporting procedures for this purpose. Intrado is also directed to file a revised Annual 2020 Interrogatory to report the correct Annual Kansas Intrastate Retail Revenues reported to the KUSF. These actions shall be completed within 60 days of the issuance of this Order. VPS then shall file a Compliance Report within 90 days of the issuance of this Order to confirm completion of the actions directed by the Commission.

IT IS THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Commission accepts and adopts Vantage Point Solutions' Audit Report filed June 9, 2022 and directs Intrado Communications, LLC to correct deficiencies set forth in the Audit Report.

B. Intrado Communications, LLC shall file Annual True-up Reports for Fiscal Years 23 and 24 to correctly fill out Box C to record the amount of the KUSF surcharges collected from customers. It is directed to file an affidavit signed by a corporate officer attesting to corrections implemented for reporting the KUSF surcharge collected from customers in Box C of the CRWs and the date changes were made. It also is to file a revised Annual Interrogatory for 2020 to reflect the correct amount of Annual Kansas Intrastate Retail Revenues reported to the KUSF. Corrective action is to be taken within 60 days of this Order.

C. Vantage Point Solution shall file a Compliance Report once Intrado Communications, LLC has addressed the requirements of this Order, but no later than 90 days from this Order.

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).²

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

BY THE COMMISSION IT IS SO ORDERED.

Keen, Chair; Duffy, Commissioner; French, Commissioner

Dated: 06/23/2022

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

Lynn M. Retz

Lynn M. Retz
Executive Director

wah

CERTIFICATE OF SERVICE

22-KDLT-029-KSF

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of electronic service on 06/23/2022.

Wendy Harper, DIVISION MANAGER
VANTAGE POINT SOLUTIONS
1305 N 7th Avenue
Hastings, NE 68901
wendy.harper@vantagepnt.com

CLAUDE HARRINGTON, VP - GENERAL MANAGER
INTRADO COMMUNICATIONS, LLC
3200 W PLEASANT RUN RD STE 300
LANCASTER, TX 75146-1086
wtsregulatory@intrado.com

WALKER HENDRIX, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
w.hendrix@kcc.ks.gov

SHOMARI JACKSON
VANTAGE POINT SOLUTIONS
2930 MONTVALE DRIVE SUITE B
SPRINGFIELD, IL 62704
shomari.jackson@vantagepnt.com

DENNIS SMITH
VANTAGE POINT SOLUTIONS
2930 MONTVALE DRIVE STE B
SPRINGFIELD, IL 62704
dennis.smith@vantagepnt.com

NICOLE STEPHENS, KUSF ADMINISTRATOR MANAGER
VANTAGE POINT SOLUTIONS
2930 MONTVALE DRIVE SUITE B
SPRINGFIELD, IL 62704
nicole.stephens@vantagepnt.com

/S/ DeeAnn Shupe

DeeAnn Shupe