BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of An Investigation to Determine the Assessment Rate and the Affordable Local Service Rate for Rate-of-Return Regulated Carriers for the Twenty-First Year of the Kansas Universal Service Fund, Effective March 1, 2017.

Docket No. 17-GIMT-008-GIT

VERIZON WIRELESS' MOTION FOR APPROVAL OF INTRASTATE ALLOCATION METHODOLOGY

Verizon Wireless (VAW) LLC, Topeka Cellular Telephone Company, Inc. and Alltel Communications, LLC (together, "Verizon Wireless") respectfully move the Commission for an order approving their use of a company-specific traffic report for purposes of calculating assessments payable to the Kansas Universal Service Fund (the "KUSF"). In support of this motion, Verizon Wireless states as follows:

1. In support of this Motion, Verizon submits the Affidavit of Robert W.

Mutzenback, Director – Regulatory Compliance at Verizon (the "Affidavit") which is attached hereto as Exhibit "A" and incorporated herein by reference.

2. As explained in more detail in the Affidavit, Verizon Wireless utilizes a

company-specific traffic report that relies on actual minutes of use ("MOU") data for both Federal Universal Service Fund ("FUSF") and KUSF purposes, using the inverse of the federal percentage derived from that report to determine the appropriate percentage for KUSF reporting and remittance purposes. Verizon Wireless has been using this approach since 2009, and last updated its Kansas traffic factor in 2016.¹

¹ All three Verizon Wireless entities filed their last update on April 11, 2016, in KCC Docket No. 16-GIMT-067-GIT, and the Commission approved it by Order dated April 26, 2016.

3. Because the traffic report contains actual MOU data that is proprietary and confidential and constitutes a trade secret, the factors developed using that data are being filed as confidential and under seal.

WHEREFORE, Verizon Wireless respectfully requests that the Commission enter an order approving Verizon Wireless (VAW) LLC's, Topeka Cellular Telephone Company, Inc.'s and Alltel Communications, LLC's company-specific traffic report and using the inverse of the federal percentage derived therefrom for KUSF reporting purposes, and for such other relief as is just and proper.

Dated: April 11, 2017

Respectfully submitted,

David E. Bengtson (#12184) Stinson Leonard Street LLP 1625 N. Waterfront Parkway, Suite 300 Wichita, KS 67206-6620 Direct: (316) 268-7943 Fax: (316) 268-9798 david.bengtson@stinson.com

Counsel for Verizon Wireless (VAW) LLC, Topeka Cellular Telephone Company, Inc. and Alltel Communications, LLC

VERIFICATION

I, Robert W. Mutzenback, being of lawful age and duly sworn, state that I have read the above and foregoing Motion and verify that the statements contained therein are true and correct to the best of my knowledge and belief.

Robert W. Mutzenback

Subscribed and sworn to before me this $\frac{5}{2}$ day of $\frac{4pc_1}{r}$, 2017.

Notary Public

My Commission Expires: August 6, 2018

LAUREL J RETAJCZYK ID # 2376401 NOTARY PUBLIC STATE OF NEW JERSEY My Commission Expires Aug. 6, 2018

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing Verizon Wireless' Motion for Approval of Intrastate Allocation Methodology was served via electronic mail this 11th day of April, 2017, to the parties appearing on the Commission's service list.

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David E. Bengtson

EXHIBIT "A"

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of An Investigation to Determine the Assessment Rate and the Affordable Local Service Rate for Rate-of-Return Regulated Carriers for the Twenty-First Year of the Kansas Universal Service Fund, Effective March 1, 2017.

Docket No. 17-GIMT-008-GIT

STATE OF NEW JERSEY COUNTY OF SOMERSET

AFFIDAVIT OF ROBERT W. MUTZENBACK ON BEHALF OF VERIZON WIRELESS

I, Robert W. Mutzenback, being of lawful age and duly sworn, state as follows:

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1. I am employed by Verizon as a Director – Regulatory Compliance. In this capacity, I am responsible for, *inter alia*, reporting and remittances relating to the Kansas Universal Service Fund ("KUSF") for Verizon Wireless (VAW) LLC, Topeka Cellular Telephone Company, Inc. and Alltel Communications, LLC (together, "Verizon Wireless").

2. Verizon Wireless' allocation methodology for KUSF purposes is based on a company-specific traffic report. Verizon Wireless' company-specific traffic report is used for both Federal Universal Service Fund ("FUSF") and KUSF purposes. The traffic report is based on actual call origination and termination minutes of use ("MOU") data obtained from Verizon Wireless' call detail records, which MOU are classified as interstate, intrastate or international. Verizon Wireless derives the percentage of interstate/international MOU by dividing the number of interstate and international MOU into total MOU. This percentage is accepted by the Federal Communications Commission for FUSF reporting purposes.

3. Verizon Wireless uses the inverse of the federal percentage derived therewith to calculate the percentage for KUSF reporting purposes (100% - FUSF % = KUSF %). This approach provides a fair and balanced symmetry between federal and state USF programs, and complies with the Commission's directive that carriers use the same allocation methodology for FUSF and KUSF purposes.

4. Verizon Wireless applies the KUSF percentage to its Kansas retail revenues to determine the amount it remits to the KUSF.

5. Verizon Wireless has used, and continues to use, the same methodology described herein at all times since 2009.

6. The intrastate factors used by Verizon Wireless for KUSF purposes for the KUSF reporting period from March 2012 through the present are set forth on the confidential and proprietary attachment to my affidavit.

7. Because the intrastate factors are derived from proprietary and confidential trade secret actual MOU data, the attachment to my affidavit is being filed under seal.

Pursuant to Kan. Stat. Ann. 53-601, I certify that the foregoing is true and correct to the best of my knowledge.

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Robert W. Mutzenback

Subscribed and sworn to before me this <u>5</u> day of $\underline{A_{pri}}$, 2017.

xapar Notary Public My Commission Expires: Areg. 6, 2018 Notary Public

LAUREL J RETAJCZYK ID # 2376401 NOTARY PUBLIC STATE OF NEW JERSEY My Commission Expires Aug. 6, 2018

Verizon Proprietary and Confidential Data [PUBLIC VERSION] Active Entities RE: Verizon Wireless (VAW) LLC, Topeka Cellular Telephone Company, Inc. and Alltel Communications, LLC															
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