

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

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

In the Matter of Consolidated Communications                      )  
of Kansas Company Filing Tariff Revisions to                      )     Docket No. 21-FCMT-288-TAR  
Residential Access Line and Bundles Increases.                      )

**ORDER APPROVING RATE INCREASE**

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 February 2, 2021, Consolidated Communications of Kansas Company (Consolidated Kansas) filed an Application requesting Commission approval of increases in its residential local service rates by \$1.50 per month. Consolidated also included as part of the Application a Customer Notification directed to its subscribers and the company's revised Local Exchange Tariff replacement sheets, reflecting the requested rates for both stand-alone rates and the rates for its bundled offerings. The Residential access line rate will increase by \$1.50 per month for the exchanges of Leoti, Tribune, Marienthal, Jetmore, Sharon Springs, Wallace and Weskan, increasing from \$14.77 to \$16.27 per month. The Residential access line rate will increase by \$1.50 for the exchanges of Cedar Point, Saffordville and Americus, increasing from \$18.24 to \$19.74 per month. Voice Advantage and Voice Advantage II bundles will increase by \$2.50 per month with the residential access line rate increasing by \$1.50 and the intrastate long distance minutes rate increasing by \$1.00. The Home Phone Bundles will increase by \$2.50 per month.

2. The Consolidated Kansas Application was clarified with correspondence on February 8, 2021, that indicated customer notices regarding the rate increases authorized under K.S.A. 66-2007 (b) would be sent during the March 2021 billing cycle. K.S.A. 66-2007 (b) allows a rural telephone company to file local exchange price increases that in the aggregate do not exceed \$1.50. An increase of \$1.50 is deemed reasonable under the statutory provision. However, if more than 15% of subscribers request an investigation within 60 days of the distribution of the customer notice, the Commission shall conduct a rate investigation.

3. The Commission Staff reviewed the Consolidated Kansas Application and submitted a Report and Recommendation dated May 13, 2021. Citing K.S.A. 66-2007 (b), Staff analyzed the filing and determined that proper notice was provided by Consolidated Kansas to inform subscribers they had the option to file a petition to initiate an investigation for the purpose of expanding the scope of review to a traditional rate case. The Staff referenced a Memo from the Commission's Public Affairs and Consumer Protection Office indicating no complaints had been filed to cause a formal investigation to proceed. Consequently, the Staff concluded that the requirements of K.S.A. 66-2007 (b) had been met, and the requested residential and business access line increases should be allowed to take effect as a matter of law

4. As part of the Staff's review, it made a corresponding analysis of the impact of the proposed rate increases in conjunction with a determination regarding target affordable rates that are redetermined every two years from March 1, 2007, as provided in K.S.A. 66-2005 (e) (1) (C). Citing Docket No. 21-GIMT-095-GIT, the Staff states the statewide target affordable rates are \$18.50 for residential service. The affordable rate assessment is then applied consistent with K.S.A. 66-2005 (e) (2), which requires that a rural local exchange carrier that increases local service rates after February 20, 2002, pursuant to K.S.A. 66-2007 (b), will have affordable rates

increased by amounts corresponding to the rates increased under the expedited statutory procedure for the purpose of evaluating universal service support. Because Consolidated Kansas has had previous rate increases of \$1.50 rate<sup>1</sup>, together with the rate increases proposed in this Docket, its affordable rates would be calculated \$6.00 higher than the statewide affordable rates determined by the Commission in its biannual review with the approval of the Application for the Cedar Point, Saffordville, Leoti, Tribute , Marienthal, Sharon Springs, Wallace and Wekan exchanges; \$5.68 for the Jetmore exchange; and \$5.88 for the Americus exchange.

5. The Staff reviewed the revenue effect from the rate increases proposed by Consolidated Kansas and indicated the company anticipated additional residential customer revenue of \$21,600.00. Accordingly, Staff recommended the approval of the Application in the absence of any written or oral complaints from subscribers.

7. The Commission adopts Staff's analysis and recommendations of May 13, 2021, as stated in the Report and Recommendation, which is attached hereto and made a part hereof by reference, and finds that the Consolidated Kansas tariff changes be granted. In conjunction with the request, Consolidated Kansas is authorized to place the amended tariffs in effect with the issuance of this Order.

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<sup>1</sup> *Order Approving Tariff Revisions*, Docket No. 12-SFLT-623-TAR, May 21, 2012 (\$1.50 for all exchanges except Jetmore and \$1.18/month for residential in the Jetmore exchange); *Order Approving Local Rate Increases Pursuant to K.S.A. § 22-2007(b)*, Docket No. 13-SFLT-641-TAR, July 18, 2013 (\$1.50 for all exchanges for residential); *Order Approving Tariff Revisions*, Docket No. 12-BSTT-621-TAR, May 21, 2012 (\$1.50/month for the Cedar Pointe and Stafford exchanges and \$1.38/month for the Americus exchange for residential); *Order Approving Local Rate Increases Pursuant to K.S.A. § 22-2007(b)*, Docket No. 13-BSTT-643-TAR, July 18, 2013 (\$1.50/month for all exchanges for residential); and *Order Approving Tariff Revisions*, Docket No. 20-SFLT-331-TAR, April 28, 2020 (\$1.50/month for all exchanges for residential), plus the \$1.50/line increase approved in this Docket.

**IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:**

A. The Consolidated Communications of Kansas Company's Application filed on February 2, 2021 is hereby granted and the replacement of Tariffs be made effective.

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).<sup>2</sup>

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.**

French, Chairperson; Keen, Commissioner; Duffy, Commissioner

Dated: 05/20/2021



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Lynn M. Retz  
Executive Director

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

**REPORT AND RECOMMENDATION  
UTILITIES DIVISION**

TO: Chairperson Andrew J. French  
Commissioner Dwight D. Keen  
Commissioner Susan K. Duffy

FROM: Kelly Mabon, Senior Telecommunications Analyst  
Sandra K. Reams, Assistant Chief of Telecommunications  
Bryan Seamans, Chief of Telecommunications  
Jeff McClanahan, Director of Utilities

DATE: May 13, 2021

RE: Docket No. 21-SFLT-288-TAR  
In the Matter of Consolidated Communication of Kansas Company Filing Tariff  
Revisions to Residential Access Line and Bundles Increases

**EXECUTIVE SUMMARY:**

On February 2, 2021, Consolidated Communications of Kansas Company (Consolidated Kansas) filed an Application pursuant to K.S.A. 66-2007(b), requesting permission to raise its residential local service rates \$1.50 per month. Consolidated Kansas filed a clarification in the Docket, stating the bill messages would go out to customers starting March 1, 2021, to allow ample time for Staff to review the filing after reviewing the public comments. Staff recommends approval of the Revised Application.

Commission action on this matter is required no later than **Wednesday, June 2, 2021.**

**BACKGROUND:**

The Company requests approval to increase the following access line rates:

- Residential access line rate will increase by \$1.50 per month, from \$14.77 to \$16.27, for exchanges in Leoti, Tribune, Marienthal, Jetmore, Sharon Springs, Wallace and Weskan.
- Residential access line rate will increase by \$1.50, from \$18.24 to \$19.74 per month, for exchanges in Cedar Point, Saffordville and Americus.
- Voice Advantage and Voice Advantage II bundles will increase by \$2.50 a month (residential access line rate increase of \$1.50 and intrastate long distance minutes rate increase of \$1.00)

- Home Phone bundles will increase by \$2.50 per month.

K.S.A. 66-2007(b) states:

The commission shall approve, upon not more than 120 days' notice, any basic local exchange price increases that in the aggregate in any one year are \$1.50 or less per access line per month, that are proposed by any rural telephone company which is subject to traditional rate of return regulation and that comply with the requirements of this section. Any such proposed price increases shall be presumed reasonable and not subject to commission investigation and review if the rural telephone company has followed the notice requirements set forth below. However, the commission shall initiate an investigation if more than 15% of the subscribers subject to the rate increase request such an investigation within 60 days of the date of distribution of the notice of the proposed change.

Upon filing such an application for a rate increase, any rural telephone company seeking expedited approval of the proposed rate under this section shall send a notice to its subscribers by regular mail, which may be included with regular subscriber mailings. Such mailings shall include the name, mailing address and telephone number of the commission. The notice shall include a schedule of the proposed local exchange rates, the effective date of the rates and a description of the procedures by which the subscribers can petition the commission to determine the reasonableness of the proposed rates, including a provision specifically stating that protest by 15% or more of subscribers subject to the proposed rate increase would require the commission to initiate an investigation concerning the reasonableness of the proposed rate increase.

Consolidated Kansas provided a copy of the "Notice of Proposed Rates" the Company sent to its customers. The Customer Notice stated that a customer could petition the Commission regarding the reasonableness of the rate increase and that the Commission would be required to initiate an investigation if more than fifteen percent (15%) of the Company's subscribers protest the rate increase. The Company also provided updated tariff pages to reflect the proposed rate increases.

#### **ANALYSIS:**

Staff evaluated Consolidated Kansas's Customer Notice and finds it is appropriate and is in compliance with K.S.A. 66-2007. Pursuant to K.S.A. 66-2007(b), the statutorily required comment period is 60 days from customer notice. Thus, comments were due to the Commission's Public Affairs and Consumer Protection Office by Friday, April 30, 2021. The Commission is required to approve aggregate increases of \$1.50 or less per line per year pursuant to K.S.A. 66-2007(b), unless at least 15% of Consolidated Kansas's subscribers comment or object. Attachment A is a memorandum from the Commission's Public Affairs and Consumer Protection Office stating it received no comments or complaints regarding Consolidated Kansas's proposed rate increase.

K.S.A. 66-2005(e)(1)(C) required the Commission to determine a target affordable residential local service rate, effective March 1, 2007, and every two-years thereafter for those entities that

receive Kansas Universal Service Fund (KUSF) high-cost support. In Docket No. 21-GIMT-095-GIT, the Commission adopted a statewide target affordable rate of \$18.50 for residential service.

K.S.A. 66-2005(e)(5) requires that a rural LEC that increases local service rates after February 20, 2002, pursuant to K.S.A. 66-2007(b), will have an affordable rate that is increased by an equal amount of the rate increase under K.S.A. 66-2007(b).

The Company has not received KUSF high-cost support since June 1, 2003.<sup>1</sup> The Company previously increased its local service rates under K.S.A. 66-2007(b) in numerous dockets, the most recent being Docket No. 20-SFLT-331-TAR.<sup>2</sup> Based on the total amount of the increases in these dockets, its affordable residential rate would be \$6.00 above the statewide affordable rate in the Cedar Point, Saffordville, Leoti, Tribune, Marienthal, Sharon Springs, Wallace and Weskan exchanges, \$5.68 above the statewide affordable rate for the Jetmore exchange, and \$5.88 above the affordable rate for the Americus exchange upon approval of the additional increase in this Docket, if it were to seek KUSF high-cost support.

In response to a Data Request from Staff, the Company states it anticipates additional annual residential customer revenue of \$21,600, which includes \$10,300 from stand-alone access lines and \$11,300 from access line increases in the voice bundles.

#### **RECOMMENDATION:**

The evaluation of Consolidated Kansas's Application and Customer Notice shows they are in compliance with K.S.A. 66-2007(b). Consolidated Kansas's customers did not register any written or oral complaints with the Commission's Public Affairs and Consumer Protection Office; therefore, the Company's Application to increase its rates up to \$1.50 per line per year, as stated in its Application, should be approved.

Staff recommends that the Commission approve Consolidated Kansas's filing.

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<sup>1</sup> *Order Approving Stipulated Settlement Agreement*, Docket No. 01-SFLT-879-AUD and Docket No. 01-BSTT-878-AUD, May 2, 2003.

<sup>2</sup> *Order Approving Tariff Revisions*, Docket No. 12-SFLT-623-TAR, May 21, 2012 (\$1.50 for all exchanges except Jetmore and \$1.18/month for residential in the Jetmore exchange); *Order Approving Local Rate Increases Pursuant to K.S.A. § 22-2007(b)*, Docket No. 13-SFLT-641-TAR, July 18, 2013 (\$1.50 for all exchanges for residential); *Order Approving Tariff Revisions*, Docket No. 12-BSTT-621-TAR, May 21, 2012 (\$1.50/month for the Cedar Pointe and Stafford exchanges and \$1.38/month for the Americus exchange for residential); *Order Approving Local Rate Increases Pursuant to K.S.A. § 22-2007(b)*, Docket No. 13-BSTT-643-TAR, July 18, 2013 (\$1.50/month for all exchanges for residential); and *Order Approving Tariff Revisions*, Docket No. 20-SFLT-331-TAR, April 28, 2020 (\$1.50/month for all exchanges for residential), plus the \$1.50/line increase approved in this Docket.

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Andrew J. French, Chairman  
Dwight D. Keen, Commissioner  
Susan K. Bully, Commissioner



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Linda Kelly, Governor

## MEMORANDUM

**To:** Lynn Retz  
Executive Director

**From:** Linda Berry, Director  
Public Affairs and Consumer Protection

**Date:** May 7, 2021

**Re:** Docket 21-SFLT-288-TAR  
In the Matter of Consolidated Communications of Kansas Company  
Filing Tariff Revisions to Residential Access Line and Bundles  
Increases

The Office of Public Affairs and Consumer Protection received no customer comments between March 1, 2021 and April 30, 2021 regarding the rate increase proposed in Docket 21-SFLT-288-TAR.

I request the Telecommunications Division of the Kansas Corporation Commission file this memo into the docket.

cc. Kelly Mabon  
Senior Telecommunications Analyst



**CERTIFICATE OF SERVICE**

21-SFLT-288-TAR

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of  
electronic service on 05/20/2021.

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/s/ DeeAnn Shupe  
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DeeAnn Shupe