

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

In the Matter of an Investigation to Determine)
the Assessment Rate and the Affordable Local)
Service Rate for Rate-of-Return Regulated) Docket No. 17-GIMT-008-GIT
Carriers for the Twenty-First Year of the Kansas)
Universal Service Fund, Effective March 1, 2017.)

NOTICE OF ALLOCATION METHODOLOGY
UTILIZED BY TRACFONE WIRELESS, INC.

COMES NOW TracFone Wireless, Inc. ("TracFone"), by its undersigned counsel, to notify the State Corporation Commission of the State of Kansas ("Commission") of no changes to the methodology used by TracFone to allocate revenue to the intrastate jurisdiction for purposes of the Kansas Universal Service Fund ("KUSF"). For its Notice, TracFone states as follows:

1. Pursuant to K.S.A. 66-2008(a), the Commission requires "every telecommunications carrier, telecommunications public utility and wireless telecommunications service provider that provides intrastate telecommunications service and, to the extent not prohibited by federal law, every provider of interconnected VoIP service, as defined by 47 C.F.R. 9.3 (October 1, 2005), to contribute to the [Kansas Universal Service Fund] on an equitable and nondiscriminatory basis." On December 27, 1996, in Docket No. 94-GIMT-478-GIT, the Commission stated the contribution would be an annual assessment on each provider's intrastate retail revenues.

2. In its January 24, 2012 *Order Setting the Kansas Universal Service Fund Assessment Rate for Year Sixteen and Cancelling Hearing* ("Order") in Docket No. 12-GIMT-168-GIT ("12-168 Docket"), the Commission directed all wireless carriers and interconnected VoIP providers that use the direct assignment or traffic study methodology to update their factors at least annually.

3. On February 1, 2012, the Commission issued its *Amended Order Setting the Kansas Universal Service Fund Assessment Rate for Year Sixteen and Cancelling Hearing* (“Amended Order”) in the 12-168 Docket. In its Amended Order, among other things, the Commission adopted Staff’s recommendation that wireless and VoIP providers are required to submit a pleading to the Commission if the provider elects to use an allocation methodology other than the Safe Harbor. A pleading must also be filed if a company elects a new methodology. The Commission further adopted Staff’s recommendation that companies provide an affidavit, signed by an officer of the company, verifying that the same methodology and the inverse traffic factors are used for federal Universal Service Fund purposes. Companies are required to provide updates to its methodology and allocation factors at least annually, even if such pleading verifies that no change has occurred. Amended Order at ¶¶ 8-9.

4. In accordance with the Commission's above-referenced orders in the 12-168 Docket, TracFone hereby advises the Commission that no changes have occurred to the methodology it utilizes to allocate intrastate revenue for KUSF (and inversely, federal USF) purposes during the Twenty-first KUSF fiscal year, that is, March 1, 2017 to February 28, 2018. The Confidential Affidavit of Chesley Dillon, Vice President, Corporate Taxation, for TracFone Wireless, Inc., is attached hereto attesting to the methodology utilized by TracFone for the Twenty-first KUSF fiscal year.

WHEREFORE, TracFone Wireless, Inc. submits its Notice that it has not changed its methodology to allocate intrastate revenue during the period of the Twenty-first KUSF fiscal year from the prior KUSF fiscal year.

Respectfully submitted,

/s/ Susan B. Cunningham

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Attorney for TracFone Wireless, Inc.

VERIFICATION

K.S.A. 53-601

STATE OF KANSAS)
)
COUNTY OF SHAWNEE) ss:

I, Susan B. Cunningham, verify under penalty of perjury that I have caused the foregoing Notice of Allocation Methodology Utilized by TracFone Wireless, Inc. to be prepared on behalf of TracFone, and that the contents thereof are true and correct to the best of my knowledge, information and belief.

/s/ Susan B. Cunningham

Susan B. Cunningham

February 27, 2018

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing Notice of Allocation Methodology Utilized by TracFone Wireless, Inc. was served via electronic mail this 27th day of February, 2018, to the parties appearing on the Commission's service list as last modified on November 21, 2017.

/s/ Susan B. Cunningham

Susan B. Cunningham