2006.05.01 09:07:46 Kansas Corporation Commission /S/ Susan K. Duffs

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Brian J. Moline, Chair
	Robert E. Krehbiel
	Michael C. Moffet

In the Matter of Sage Telecom, Inc. Filing Tariff Revisions Adding a Public Switched) Network Recovery Charge, Adding More Plan Minutes to Specified Plans, and Making Rate Changes.

Docket No. 06-SAGT-1031-TAR

ORDER ADDRESSING CITIZENS' UTILITY RATEPAYER BOARD'S COMPLAINT, PETITION TO INTERVENE, AND MOTION TO DEFER THE EFFECTIVE DATE OF PROPOSED PUBLIC SWITCHED NETWORK **RECOVERY CHARGE AND SUSPEND PROCEEDING** AND CLOSING DOCKET

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The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) on a pleading filed by Citizens' Utility Ratepayer Board (CURB). Being duly advised in the premises and familiar with its files and records, the Commission finds and concludes as follows:

1. On March 23, 2006, Sage Telecom Inc. (Sage) filed revised tariff pages adding a public switched network recovery charge, adding more minutes to certain calling plans and making rate changes. Sage requested an effective date of April 1, 2006. Because Sage is a price deregulated company, the tariff price changes were accepted as filed and effective April 1, 2006, as requested.

2. On March 28, 2006, CURB filed its Complaint, Petition to Intervene, and Motion to Defer the Effective Date of Proposed Public Switched Network Recovery Charge and Suspend Proceeding (Complaint). CURB requested permission to intervene with respect to Sage's proposed public switched network recovery charge on behalf of residential and small commercial ratepayers. CURB argued the interests of residential

and small commercial ratepayers may be adversely affected by a Commission order in this docket.

3. CURB states "that Sage's proposed public switched network recovery charge is unreasonable, unfair, unjust, unreasonably inefficient, unjustly discriminatory and or unduly preferential." Complaint, ¶ 7. CURB continues that the Sage's public switched network recovery charge is a deceptive practice to conceal a rate increase from customers. CURB argues Sage provided the same service to customers before imposing this charge as it does after implementation of the charge and any increase in the cost of the service should be implemented as an increase in the monthly recurring charge. The proposed surcharge disguises the rate increase as a surcharge. CURB argues such pricing prevents consumers from making meaningful comparisons between the rates charged by Sage and its competitors.

4. CURB requests the Commission suspend the switched network recovery charge and hold hearings as authorized by K.S.A. 66-117(c).

5. The Commission is aware that CURB has filed similar pleadings in previous tariff filing dockets of this nature. In those dockets the Commission has determined that CURB's concerns regarding the switched access network recovery charge should be addressed on a generic basis in Docket No. 06-GIMT-187-GIT which addresses Billing Practice Standards. See f. ex. Docket No. 06-CCIC-016-TAR. As in that docket, the Commission denies CURB's request for intervention and suspension. The issue will be addressed in Docket No. 06-GIMT-187-GIT.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

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A. The Citizens' Utility Ratepayer Board's Complaint, Petition to Intervene, and Motion to Defer the Effective Date of Proposed Public Switched Network Recovery Charge and Suspend Proceeding is denied. The Citizens' Utility Ratepayer Board's concern will be addressed in Docket No. 06-GIMT-187-GIT. This docket is closed.

B. The parties have fifteen days, plus three days if service of this order is by mail, from the date this order was mailed in which to petition the Commission for reconsideration of any issue or issues decided herein. K.S.A. 66-118; K.S.A. 2005 Supp. 77-529(a)(1).

C. 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.

ORDER MAILED

Moline, Chr.; Krehbiel, Comm.; Moffet, Comm.

Dated: MAY 0 1 2006

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Sum Talify Executive Director

Susan K. Duffy Executive Director

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