

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

In the Matter of a General Investigation to)
Determine Whether the Commission Should)
Require Eligible Telecommunications)
Carriers to Certify That They Have Used)
Kansas Universal Service Fund Support)
Appropriately.)

Docket No. 08-GIMT-154-GIT

STATE CORPORATION COMMISSION

SEP 21 2007

COMMENTS OF COMMISSION STAFF

 Docket
Room

COMES NOW Commission Staff ("Staff"), and respectfully submits the following comments in response to the Commission's August 8, 2007, Order Opening Docket and Scheduling Initial Comments ("Opening Order") in the above captioned proceeding:

I. BACKGROUND

1. On June 28, 2007, Staff provided a memorandum to the Commission requesting that a proceeding be opened to determine whether the Commission should require ETCs to certify that they have used KUSF support appropriately. The Commission's Order and comments in Docket No. 06-GIMT-1289-GIT ("Docket 06-1289") served as the impetus for this request. In Docket 1289, the Commission was considering the effect, if any, of the enactment of K.S.A. 66-2008(e) on its prior determination of a competitively neutral manner for distributing Kansas Universal Service Fund ("KUSF") support to eligible telecommunications carriers ("ETCs"). Within Docket 1289, it was suggested that in order for carriers to be treated in a competitively neutral manner, competitive ETCs should be required to demonstrate that they use KUSF support appropriately. The Commission agreed and required Staff to file a memorandum to serve as a basis for opening this generic proceeding.

2. The Commission established its current certification requirements for Federal Universal Service Fund (“FUSF”) support in Docket No. 05-GIMT-112-GIT (“Docket 05-112”). In order to certify that FUSF support has been used appropriately, ETCs must file forms which demonstrate how much FUSF and KUSF support they receive and how they have expended support for new investment and expenses to operate in supported areas of the state for the previous calendar year. The ETCs must also provide a verified statement indicating that each ETC will use support appropriately in the coming year. In paragraph 3 of its July 21, 2005, order in Docket 05-112, the Commission stated “. . . that it is reasonable to require a carrier to certify that the amount of KUSF support it receives is justified, similar to what is currently required by the Federal Communications Commission (FCC) with respect to federal USF received under Section 254(e) [of the Federal Telecommunications Act of 1996].” The Commission required KUSF information to be supplied on the certification forms; however, the Commission stopped short of adopting criteria for evaluating the use of KUSF support or adopting ramifications to be imposed when KUSF support is not used properly. At this time, Staff monitors expenditures relative to the total amount of support received by an ETC from both the FUSF and KUSF; yet, no formal recommendations are made to the Commission regarding the use of KUSF support.

3. The Commission has requested comments on the following issues:
- A. The Commission’s authority to require certification of the use of KUSF support;
 - B. what investments and expenses should be included in determining the certification of KUSF support;
 - C. what modifications should be made to the current forms used to certify FUSF; and
 - D. the consequences of failing to appropriately utilize KUSF support.

Staff will address these issues below.

A. Commission Authority to Require Certification of KUSF Support.

4. Staff asserts that the Commission has statutory authority to require any ETC receiving KUSF support to certify the use of such support. In support of this assertion, Staff notes that the Commission has broad authority and jurisdiction “. . . to supervise and control the telecommunications public utilities. . . ” doing business in Kansas. K.S.A. 66-1,188.

5. In addition, the Kansas Telecommunications Act, passed by the Kansas Legislature in 1996, provides authority for the Commission to require carriers to certify the use of KUSF support and provides guidance with regard to how such support should be used. K.S.A. 66-2001 contains the public policy of the state of Kansas and states, in part, that it is public policy to “protect consumers of telecommunications services from fraudulent business practices and practices that are inconsistent with the public interest, convenience, and necessity.” K.S.A. 66-2001(e).

6. K.S.A. 66-2002(c) and 66-2008 address the Commission’s administration of the KUSF. K.S.A. 66-2002(c) requires the Commission to establish the KUSF. Furthermore, the Commission is required, under K.S.A. 66-2002(c), to adopt guidelines to “preserve and enhance universal service, protect the public safety and welfare, ensure the continued quality of telecommunications services and safeguard the rights of consumers.” K.S.A. 66-2008 sets out the general guidelines for administering the KUSF. Specifically, K.S.A. 66-2008(c) requires the Commission to review the KUSF to determine if the cost of providing service justifies modification of the KUSF and gives the Commission authority to modify the KUSF accordingly. Clearly, certification of the use of support could be one tool used by the Commission to determine if the cost of providing service justifies modification of the KUSF.

7. The Commission recognized this authority when it required carriers to certify the use of KUSF support in paragraph 3 of its July 21, 2005, Order in Docket 05-112 wherein the Commission determined it would be reasonable to require certification of KUSF support and required KUSF support to be included on the forms used for FUSF certification.

B. Investments and Expenses That Should Be Included in Determining the Certification of KUSF Support.

8. The Commission adopted procedures for ETCs to certify that they will use FUSF support in a manner consistent with the provisions of Section 254 of the Federal Telecommunications Act of 1996. Section 254 states that, “. . . [a] carrier that receives such support shall use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. . .” The Kansas statute does not contain this language, however it does provide guidance with regard to the use of KUSF support. The State of Kansas public policy, set forth in K.S.A. 66-2001, is to ensure all Kansans have access to “a first class telecommunications infrastructure that provides excellent services.” K.S.A. 66-2001(a). Additionally, K.S.A. 66-2001(b) states that all Kansas consumers should realize the benefits of competition through “increased services and improved telecommunications facilities and infrastructure . . .” The State’s public policy is also to promote “a full range of telecommunications services, including advanced telecommunications services that are that are comparable in urban and rural areas throughout the state” and to “advance the development of a statewide telecommunications infrastructure . . .” K.S.A. 66-2001(c) and (d). Given this guidance from the Kansas Telecommunications Act, Staff believes it is reasonable to allow carriers to continue to include investments and expenses that the Commission previously adopted.

9. In its July 21, 2005, Order in Docket 05-112, the Commission determined that ETCs would use the same forms to certify FUSF and KUSF support. The Commission also found that AT&T wire centers that receive KUSF support would be exempted from providing detailed investment and expense data because it was believed that AT&T's expenses should easily justify the receipt of KUSF support. (July 21, 2005, Order, Paragraph 4; and August 5, 2005, Order Amending Paragraph 4 of the July 21, 2005, Order). However, the Commission required AT&T and competitive ETCs receiving KUSF support in AT&T wire centers to provide a narrative report regarding their investments in AT&T wire centers on Attachment 5. (July 21, 2005, Order, (Paragraph 12). The Commission rejected the proposal for a separate KUSF certification form, finding that administrative costs outweighed any benefits. (*Id.*, Paragraph 5). The Commission also determined that it would require proof that an ETC was spending its FUSF funding within the areas that receive support. (*Id.*, Paragraph 9). Staff notes that in a September 7, 2005 Order Denying Reconsideration, the Commission reaffirmed its decision that AT&T and competitive ETCs that receive KUSF support in AT&T exchanges provide a narrative report of the related investments and expenses in the exchanges that receive universal service support.

10. If the Commission is going to implement a more rigorous certification of KUSF support, Staff suggests that the Commission will need to require all ETCs to provide investment and expense data for AT&T wirecenters that is comparable to that currently provided for FUSF certification for other ILEC territories. While it may have been reasonable to assume that AT&T's investment and expenses would surpass the KUSF support received by the company, Staff cannot make such assumptions about the use of support by competitive ETCs. Without this information, Staff will not be able to provide the Commission with a reasonable recommendation regarding KUSF certification or provide sound data to support that recommendation. At this time, there are several competitive ETCs that receive KUSF support in AT&T wire centers.

Since the Commission's July 21, 2005 order, Western Wireless, H&B Cable, and Nex-Tech, Inc. ("Nex-Tech") have received KUSF support in AT&T wire centers. Additionally Nex-Tech Wireless, LLC ("NT Wireless") has two applications for supplemental KUSF support in AT&T wire centers pending before the Commission.¹ Sprint PCS,² Sage,³ Epic Touch,⁴ and United Wireless Communications, Inc.⁵ are also authorized to receive KUSF support in AT&T wire centers but have not yet applied for support. Thus, it is reasonable to require investment and expense data for AT&T wire centers in the KUSF certification process to ensure that the funding is spent in wire centers that receive KUSF support.

11. Furthermore, the Commission determined in its July 21, 2005, Order order in Docket 05-112 that ETCs need to show that they spent their USF support to provide universal service within supported areas. (Paragraph 9). The Commission addressed this specific issue in Docket No. 07-GIMT-498-GIT ("Docket 07-498") and issued its Order on August 9, 2007 ("August 2007 Order"), reaffirming that FUSF support may only be used in high cost areas for which such support is provided. Staff believes that this requirement is also applicable to the certification of KUSF for the same reasons outlined by the Commission in its August 2007 Order.

12. To determine if a carrier has appropriately spent its KUSF support, Staff believes it is reasonable to allow a new ETC to recognize investments made in supported areas during the

¹ Docket Nos. 07-NTWZ-1127-KSF and 08-NTWZ-284-KSF.

² "In the Matter of the Application of Sprint Spectrum LP (d/b/a Sprint PCS) for Designation as an Eligible Telecommunications Carrier For Purposes of Receiving Federal and State Universal Service Support", Docket No. 99-SSLC-173-ETC, February 29, 2000, Order No. 7.

³ "In the Matter of the Application of Sage Telecom for Designation as an Eligible Telecommunications Carrier", Docket No. 03-SAGT-867-ETC, October 9, 2003, Order Approving Stipulation and Agreement.

⁴ "In the Matter of the Application of Epic Touch Co., for Designation as an Eligible Telecommunications Carrier for Purposes of Kansas Universal Service Fund Support", Docket No. 07-ETCZ-813-ETC, May 2, 2007, Order Granting Epic Touch Co.'s Application for Eligible Telecommunications Carrier Designation.

⁵ "In the Matter of the Application of United Wireless Communications, Inc., for Designation as an Eligible Telecommunications Carrier for Purposes of Kansas Universal Service Fund Support", Docket No. 07-UWCC-975-ETC, August 1, 2007, Order Granting United Wireless Communications, Inc.'s Application for Eligible Telecommunications Carrier Designation.

calendar year proceeding the year in which the carrier received ETC designation. For example, a carrier that received ETC certification during 2007 would be allowed to recognize investments made in 2006 in areas for which ETC designation was received. Staff suggests this is reasonable because a carrier may have made investments to begin offering services within the supported areas prior to seeking, or receiving, ETC designation.

C. Modifications to current Federal USF Certification Forms.

13. In its July 21, 2005, Order in Docket 05-112, the Commission determined that carriers would use the same forms to certify the use of their federal and state USF support. The Commission reasoned that the administrative cost of requiring a separate KUSF certification form outweighed the benefit of such a form. (Paragraph 5). The purpose of both KUSF and FUSF support is to offset the cost of providing service in high-cost, rural, insular areas while maintaining affordable rates. When certifying FUSF and KUSF support, the ETC identifies any new investment and certain expenses related to provisioning and maintaining universal service to its customers. A portion of the investments and expenses are assigned to the interstate jurisdiction and recovered through FUSF support mechanisms. A portion of the investment costs and operating expenses are recovered from monthly service rates, other service rates, and the KUSF. Thus, because the same investment and expenses are used to provide universal service, it is logical for the same forms to continue to be used.

14. Staff suggests, however, that some modifications to the current USF certification forms are necessary. First, FUSF support (other than IAS) is not available within AT&T's exchanges; thus, a competitive ETC excludes investments and expenses related to AT&T's service area from the data reported on the forms. In contrast, some competitive ETCs are authorized to receive KUSF support within AT&T wire centers. Thus, the affected ETCs would

need to exclude investments and expenses related to AT&T wire centers for FUSF purposes, but include them for KUSF purposes.

15. Staff suggests that Attachments 2a and 3a to the certification forms be modified to reflect investment and expense in AT&T wire centers for certification of KUSF support. (An example is attached hereto as Attachment A.) Attachment 2a is used by the ILECs; however, AT&T does not file cost study information with the FCC for determining FUSF support. As a result, the lines referenced in Attachment 2a are meaningless for AT&T. Staff suggests a column be added to Attachment 2a for AT&T to use to provide information similar to that provided by all other ILECs. The information would be based on the same account numbers and descriptions provided on the form. Furthermore, since all other ILECs' information is based on the information reported to the FCC, Staff suggests that AT&T should also be required to provide a reference to the source of its investment and expenses. Regarding Attachment 3a, Staff suggests that a column reflecting total investment and expense, including that in AT&T wire centers, be added. The data provided for AT&T wire centers would be used only in the certification of KUSF support. Staff could seek additional information from companies, as necessary, to support its recommendations to the Commission. In addition, Staff realized that the reference to "Interstate Common Line Support", or "ICLS" is inadvertently missing from Attachment 2a. Staff also realized that the categories of FUSF support were itemized on Attachment 2a, but not 3a. Thus, Staff added the line itemization of FUSF support to Attachment 3a. (These changes are also included in Attachment A, attached hereto.)

16. Staff further suggests that Attachment 1 of the certification forms be modified to specifically reference the certification of KUSF support, consistent with Kansas statute and KCC requirements. For administrative purposes, this could be accomplished by listing both FUSF and

KUSF support, with the company circling the appropriate USF fund or funds being certified. (A sample revised Attachment 1 is attached hereto as Attachment B.) Staff notes that changes to reflect any Commission adopted modifications would need to be reflected accordingly within the certification forms.

D. Timing of Certification and Failure to Use KUSF Support Appropriately.

17. Staff believes that it would be most efficient to allow carriers to continue to report and certify the use of FUSF and KUSF support at the same time. Staff suggests that with the growing number of ETCs and the increasing amount of documentation to be reviewed, it may be necessary for the Commission to open its annual certification proceeding in early August rather than late August.

18. With regard to the consequences of not using KUSF support appropriately, Staff suggests that the Commission look to the consequences adopted by the FCC. The FCC has determined that FUSF support “. . . shall only be provided to the extent that the State has filed the requisite certification pursuant to this section.” 47 C.F.R. 54.313(a) and 54.314(a). When the state commission declines to certify a carrier’s FUSF support, the company’s FUSF support is suspended.⁶ FUSF funds that were not used for the intended purposes have been returned to the program.⁷ Furthermore, the FCC, in a Report and Order, released August 29, 2007,⁸ stated:

⁶ October 15, 2004 letter from Jeffrey J. Carlisle, Chief, Wireline Competition Bureau, to Ms. Irene Flannery, Vice President, High Cost and Low Income Division, USAC, CC Docket No. 96-45, and October 22, 2004 letter from Jeffrey J. Carlisle, Chief, Wireline Competition Bureau, to Ms. Irene Flannery, Vice President, High Cost and Low Income Division, USAC, CC Docket No. 96-45, suspending Federal USF support payments, with the exception of Lifeline, to Cass County Telephone Company.

⁷ Office of the United State’s Attorney, Western District of Missouri, Case No. 05-CR-20.

⁸ “In the Matter of Comprehensive Review of the Universal Service Fund Management, Administration and Oversight, WC Docket No. 05-195; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Schools and Libraries Universal Service Support Mechanism, CC Docket No. 02-6; Rural Health Care Support Mechanism, WC Docket No. 02-60; Lifeline and Link-Up, WC Docket No. 03-109, Changes to the Board of Directors for the National Exchange Carrier Association, Inc., CC Docket No. 97-21”, FCC 07-150, rel. August 29, 2007, at. ¶ 30.

Waste, fraud, and abuse of the USF programs harm all program participants by reducing the amount of available funds. Consistent with our conclusion regarding the schools and libraries program, funds disbursed from the high-cost, low-income, and rural health care support mechanisms in violation of a Commission rule that implements the statute or a substantive program should be recovered. Sanctions, including enforcement action, are appropriate in cases of waste, fraud, and abuse, but not in cases of clerical or ministerial errors.

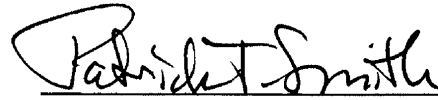
19. In addition, if a state determines a carrier has not used its FUSF appropriately, the state is authorized to revoke the carrier's ETC designation,⁹ and the FCC expanded its debarment process to include FUSF support programs.¹⁰ Thus, Staff suggests it may be reasonable for the Commission to consider the same consequences with regard to KUSF, especially for competitive ETCs and carriers who have elected price cap regulation. However, for rate of return carriers, it appears reasonable and required by statute, to require the carrier to undergo an audit to more rigorously explore the use of KUSF support prior to suspending support, with the results of such an audit known prior to the next year's certification period.

20. WHEREFORE, Staff requests the Commission consider its comments as set forth above, and for such other and further relief as the Commission deems just and proper.

⁹ "In the Matter of Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers, CC Docket No. 00-256, at p. 78.

¹⁰ Id. at ¶ 32.

Respectfully submitted,



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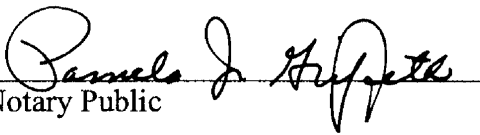
STATE OF KANSAS)
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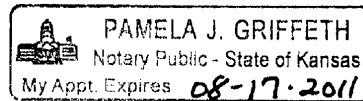
Sandy Reams, of lawful age being first duly sworn upon oath states:

That she is a Managing Auditor for the Corporation Commission Staff in this matter; that she has read and is familiar with the foregoing Comments of Commission Staff and that the statements made therein are true and correct to the best of her information, knowledge and belief.


Sandy Reams

Subscribed and sworn to before me this 20th day of September 2007.


Notary Public



My appointment expires: *August 17, 2011*

CERTIFICATE OF SERVICE

08-GIMT-154-GIT

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing Comments of Commission Staff was placed in the United States mail, postage prepaid, or hand-delivered this 21st day of September, 2007, to the following:

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CERTIFICATE OF SERVICE

08-GIMT-154-GIT

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KIM DAVIS
Administrative Specialist

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Thomas E. Wright, Chairman
Michael C. Moffet
Joseph F. Harkins

In the Matter of Federal USF Certification in)
Compliance with Section 254(e) of the Federal)
Telecommunications Act of 1996, **Kansas USF**) Docket No.
Certification in Compliance with Kansas Statute)
And KCC Requirements, and Non-Rural Carrier)
Certification of Urban/Rural Rate Comparability.)

**SECTION 254(e) CERTIFICATION
FEDERAL UNIVERSAL SERVICE SUPPORT
FCC Docket Reference: CC Docket No. 96-45
and KANSAS UNIVERSAL SERVICE FUND SUPPORT¹**

(Please type or print legibly)

Circle all appropriate Support Received

1. My title is _____ of the
_____ (Company/ Cooperative). In this capacity, I am in a
position of authority to direct how **Federal Universal Service Support Funds ("FUSF") and/or Kansas
Universal Support Funds ("KUSF")** received will be used, and by this certification, I am binding
_____ (Company/Cooperative) to the statements made in this certification.

2. _____ (Company/Cooperative) was named as
an eligible telecommunications carrier by the Kansas Corporation Commission ("KCC") for FUSF support
purposes in Docket No. _____ by order dated _____
and KUSF support purposes in Docket No. _____ by order dated
_____.

3. By this affidavit, I certify that the **FUSF and/or KUSF** received by
_____ (Company/Cooperative) for the year **2009** will be used only for the
provision, maintenance, and upgrading of facilities for which the support is intended, as designated by the

¹ See Docket 08-GIMT-154-GIT

Federal Communications Commission, consistent with Section 254(e) of the Telecommunications Act, and the KCC, consistent with Kansas statutes.

4. The FUSF support for which I am making this certification is provided pursuant to 47 C.F.R. §§54.309 and/or 54.311 for non-rural areas and/or pursuant to 47 C.F.R. §§54.301, 54.305, 54.307, and/or 47 C.F. R. Part 36, subpart F for rural areas, and will be used to provide the supported services designated in 47 C.F.R. §54.101. The KUSF support for which I am making this certification is provided pursuant to Kansas statutes and KCC orders and will be used consistent with KCC requirements. Such FUSF and/or KUSF support will be used to provide the following services, which are available throughout the Company's/Cooperative's study area:

- a. voice grade access to the public switched network;
- b. local usage;
- c. dual tone multi frequency signal, or its functional equivalent;
- d. single party service, or its functional equivalent;
- e. access to emergency services, including 911 and enhanced 911 service;
- f. access to operator services;
- g. access to interexchange service;
- h. access to directory assistance;
- i. toll blocking or toll limitation control for qualifying low-income customers

I certify under penalty of perjury under the laws of the state of Kansas that the foregoing is true and correct. (Pursuant to Kan. Stat. Ann. 53-601.) Executed on _____ date).

Signature

Printed/Typed Name

Year: 2007

Kansas' Test for USF & KUSF Certification for ILECs 9/21/2007

Study Area: Company Name

Rural LECS: For the Following Lines, use Data From the Previous Year's "- 1" Filing

AT&T: For the Following Lines, Report Data based on Account Numbers.

	LINE	AMOUNT	AMOUNT
WORKING LOOPS			
1. Total Loops		(060)	
2. Category 1.3 Loops		(070)	
INVESTMENT			
Version 4 PROPOSED WORKSHEET			
1. Plant Accounts			
a. Acct 2001		(160)	
2. Selected Plant Account:			
a. Acct 2210		(230)	
b. Acct 2220		(235)	
c. Acct 2230		(240)	
d. Total Central Office Equip		(245)	
e. Circuit Equip Cat 4.1:		(250)	
f. Acct 2410		(255)	
AMORTIZABLE TANGIBLE ASSETS			
Acct. 2680 Tot Assets		(800)	
Acct. 2680 (2230) COE Tran:		(805)	
Acct. 2680 (Cat. 4.13) COE Tran:		(810)	
Acct. 2680 (2410) Total CWI		(815)	
Acct. 2680 (2410) CWF-Cat 1		(820)	
Acct. 6560 (2680) Dep & Amor		(830)	
PART 36 - COST STUDY DATA			
1. Cost Study Avg C&WF Acct 2410		(700)	
2. Cost Study Avg C&WF Cat 1		(710)	
3. C&WF CAT 1 Factor			#DIV/0!
4. COE CAT 4.13 Factor			#DIV/0!
5. Switching Factor			1.000000

For the Following Lines, Use Gross Additions for Plant and Annual Amounts for Expenses for the Test Year

	LINE	
INVESTMENT, EXPENSE AND TAXES		
1. Selected Plant Account:		
a. Acct 2230		(240)
b. Total Central Office Equip		(245)
c. Acct 2410 (Total)		(255)
2. Expenses - Plant Specific Exp		
a. Acct 6110		(335)
b. Acct 6110 (benefits)		(340)
c. Acct 6110 (rents)		(345)
d. Acct 6120		(350)
e. Acct 6120 (benefits)		(355)
f. Acct 6120 (rents)		(360)
g. Acct 6210		(365)
h. Acct 6210 (benefits)		(370)
i. Acct 6210 (rents)		(375)
j. Acct 6220		(380)
k. Acct 6220 (benefits)		(385)
l. Acct 6220 (rents)		(390)
m. Acct 6230		(395)
n. Acct 6230 (benefits)		(400)
Version 4 PROPOSED WORKSHEET		

Year: 2007

Kansas' Test for USF & KUSF Certification for ILECs 9/21/2007

Study Area: Company Name

Rural LECS: For the Following Lines, use Data From the Previous Year's "- 1" Filing

AT&T: For the Following Lines, Report Data based on Account Numbers.

	LINE	AMOUNT	AMOUNT
o. Acct 6230 (rents)	(405)		
p. (sum of lines 365+380+395)	(410)	#REF!	
q. Acct 6410	(430)		
r. Acct 6410 (benefits)	(435)		
s. Acct 6410 (rents)	(440)		
t. Total 6110 - 6410	(445)		
3. Expenses - Plant Non Specific Exp			
a. Acct 6530	(450)		
b. Acct 6530 (benefits)	(455)		
4. Depreciation & Amortization Exp			
a. Acct 6560(2210)	(510)		
b. Acct 6560(2220)	(515)		
c. Acct 6560(2230)	(520)		
d. Acct 6560(2210-2230)	(525)	-	
e. Acct 6560(2410)	(530)		
5. Corporate Operating Expense:			
a. Acct 6710	(535)		
b. Acct 6710 (benefits)	(540)		
c. Acct 6720	(550)		
d. Acct 6720 (benefits)	(555)		
e. (sum of lines 535+550)	(565)	-	
6. Other Expenses and Revenue:			
a. Benefits Portion	(600)		
b. Rents Portion	(610)		
Sum of All Expenses		-	
7. Taxes			
a. Acct 7200	(650)		

Test for use of FUSF & KUSF

CAPITAL:	
1. Category 1 C&WF	#DIV/0!
2. Category 4.13 COE and Switching	#DIV/0!
MAINTENANCE:	
3. CWF - MAINT. EXP.	#DIV/0!
4. COE - MAINT. SW	-
5. COE - MAINT-OP SYSTEM	#REF!
6. COE - MAINT. - TRANS.	#DIV/0!
7. CWF - NETWORK SUPPORT	#DIV/0!
8. COE - NETWORK SUPPORT	#DIV/0!
9. CWF GENERAL SUPPORT	#DIV/0!
10. COE GENERAL SUPPORT	#DIV/0!
20. CWF NETWORK OPERATION	#DIV/0!

Version 4 PROPOSED

Year: 2007

Kansas Test for USF & KUSF Certification for ILECs 9/21/2007

Study Area: *Company Name*

Rural LECS: For the Following Lines, use Data From the Previous Year's "- 1" Filing

AT&T: For the Following Lines, Report Data based on Account Numbers.

	LINE	AMOUNT	AMOUNT
21. COE NETWORK OPERATION		#DIV/0!	
22. CWF EXEC. & PLANNING		#DIV/0!	
23. COE EXEC. & PLANNING		#DIV/0!	
24. CWF GENERAL ADMIN.		#DIV/0!	
25. COE GENERAL ADMIN.		#DIV/0!	
26. CWF OPERATING TAXES		#DIV/0!	
27. COE OPERATING TAXES		#DIV/0!	
28. CWF BENEFITS - TTL OPER EXF		#DIV/0!	
29. COE BENEFITS - TTL OPER EXF		#DIV/0!	
30. CWF RENTS - TTL OPER EXF		#DIV/0!	
31. COE RENTS - TTL OPER EXF		#DIV/0!	
A. Total Cash Expenditures Assd with USI		#DIV/0!	
B. Certified Federal USF Receipts:			
B1. High Cost Loop Support			
B2. Safety Net Support			
B3. Local Switching Support			
B4. Interstate Common Line Support - ICLS			
B5. Safety Valve Support for acquired Exch			
B6. Total Certified Federal USF Receipts		-	
C. KUSF Receipts		-	
D. Total FUSF and KUSF Receipts		-	
E. Do Expenditures Exceed FUSF Receipts?	#DIV/0!	#DIV/0!	

Version 4
PROPOSED

Amount Expenditures Exceed Certified FUSF (negative number means FUSF exceeds Expenditures)

F. Do Expenditures Exceed FUSF & KUSF Receipts?	#DIV/0!	#DIV/0!
---	---------	---------

Amount Expenditures Exceed Certified FUSF and/or KUSF (negative number means FUSF/KUSF exceeds Expenditure)

Please provide the following information:

Contact: _____

Position: _____

Phone No.: _____

E-Mail: _____

Year: _____

Kansas' Test for USF Certification for CETCs
Company Name : _____

21-Sep-07

Each Competitive Eligible Telecommunications Carrier (CETC) is required to complete this form in order to receive certification by the Kansas Corporation Commission ("KCC") that the carrier is eligible to receive federal High-Cost loop, Local Switching, Interstate Common Line, Safety net, and Safety Valve support pursuant to 47 C.F.R. 54.313 and/or 47 C.F.R. 54.314.

An ETC must also complete this form to receive certification for its use of KUSF support pursuant to Kansas statute and KCC Requirements.

Please attach additional pages if necessary. If you have any questions, please call the KCC Staff Telecommunications Division at 785-271-3142.

***** Please provide the following information on or before August XX, 2008:*****

For the Following Lines, use Data From the Previous
 Year's "- 1" Filing

CARRIERS RECEIVING KUSF IN AT&T WIRE CENTERS, INCLUDE ALL INVESTMENT & EXPENSE		
USF ALLOCATION PERCENT	CODE (See Notes)	AMOUNT FOR USF AND KUSF AREAS (Include AT&T Wire Centers) [1]
E	F	G=AxE

FUSF WORKING LOOPS/LINES
 KUSF SUPPORTED LINES

NEW INVESTMENTS:

- 1. SWITCHING
- 2. OUTSIDE PLANT (LOCAL LOOPS, CELL SITES)(1)

- EXPENSES:
- 3. SWITCH MAINTENANCE
- 4. OUTSIDE PLANT MAINTENANCE
- 5. NETWORK SUPPORT
- 6. ADMINISTRATIVE EXPENSE

A. TOTAL CASH EXPENDITURES ASSD WITH USF

AMOUNT FOR KANSAS	USF ALLOCATION PERCENT	CODE (see Notes)	AMOUNT FOR USF AREAS (Exclude AT&T Area) D=AxB
A	B	C	D
-			-
-			-
\$ -			\$ -

B. CERTIFIED FUSF RECEIPTS FOR CETCs

- B1. High Cost Loop Support
- B2. Safety Net Support
- B3. Local Switching Support
- B4. Interstate Common Line Support
- B5. Safety Valve Support for assigned Loop
- B6. Total Certified Federal USF Receipts

			\$ -
			\$ -
			\$ -

C. KUSF RECEIPTS

			\$ -
--	--	--	------

D. TOTAL FUSF AND/OR KUSF

			\$ -
--	--	--	------

E. DO EXPENDITURES EXCEED FUSF RECEIPTS?
 (negative number means FUSF exceeds Expenditures)

Yes	-	Yes	-
-----	---	-----	---

F. DO EXPENDITURES EXCEED FUSF AND/OR KUSF RECEIPTS?
 (negative number means KUSF exceeds Expenditures)

Yes	-	Yes	-
-----	---	-----	---

Notes:

- 1) Exclude the cost of transport between switches (dial-tone and/or tandem).

Allocation Codes (describe how the costs are allocated):

Contact: _____ Position: _____
 Phone No.: _____ E-Mail: _____

[1] This column is to be completed when an ETC receives KUSF support to AT&T wire centers and should reflect the total of all investments, expenses, and support related to all certified USF areas.