THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Andrew J. French, Chairperson

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In the Matter of the Application of South)		
Central Telephone Association, Inc. for a)	Docket No. 25-SCNT-346-MIS	
Waiver of Certain Telecommunications)		

Before Commissioners:

Billing Practice Standards.

ORDER GRANTING WAIVER OF CERTAIN TELECOMMUNICATIONS BILLING PRACTICE STANDARDS

)

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 records, the Commission finds and concludes:

I. <u>AUTHORITY AND PROCEDURAL BACKGROUND</u>

- 1. Under K.S.A. 66-1,188, the Commission is given full power, authority, and jurisdiction to supervise and control the local exchange carriers, as defined in K.S.A. 66-1,187. K.S.A. 66-1,190 provides that the Commission shall have power to prescribe reasonable rates and regulations regarding such telecommunications public utilities as the Commission deems reasonable and appropriate.
- 2. On March 10, 2025, South Central Telephone Association, Inc. ("SCT") filed an application requesting a waiver of the written notification requirements in Section IV.D.1. and IV.D.2. of the Telephone Billing Practices ("TBPs") to allow SCT to substitute electronic mailing of notices of suspension or disconnection of service. The subject TBPs were established in Docket

¹ Application of South Central Telephone Association, Inc., p. 2., Docket No. 25-SCNT-346-MIS (March 10, 2025) ("Application").

No. 120,408-U, effective January 11, 1983, and were subsequently amended by the Commission's July 16, 2010, and September 1, 2010, Orders in Docket No. 06-GIMT-187-GIT.

- 3. On March 12, 2025, Commission Staff ("Staff") submitted its Report and Recommendation ("R&R") regarding the above-captioned matter, which is attached hereto as **Attachment A** and incorporated by reference herein.² A thorough discussion of the origin and evolution of the TBPs in keeping pace with changes in technology and industry practices, as well as establishing standards for carrier waiver applications can be found in pages 1 through 3 of Staff's R&R. Staff ultimately recommended that the Commission find that SCT's request for waiver of the TBPs satisfies the requirements for waiver set forth in Section V of the TBPs and therefore approve the waiver as requested by SCT.³
- 4. The Commission's authority to grant waivers of TBPs is set forth in Section V of the TBPs:

Section V.

"The requirements contained in these standards may be waived on an individual case basis by the Commission upon application by the telecommunication provider and a showing that a waiver is in the public interest. In making this determination, the Commission's considerations will include the interests of the applicant telecommunication provider, the interests of the affected consumer(s) and the interests of the public." ⁴

5. Section IV.D. of the TBPs sets forth the notice requirements for suspension/disconnection of service:

Section IV. D.

1. **Time Requirement.** The telecommunications provider shall give the subscriber seven (7) calendar days written notice from the date the

² Report and Recommendation, Utilities Division, Docket No. 25-SCNT-346-MIS (March 12, 2025) ("Staff's R&R" or "R&R").

³ *Id.* at p. 4.

⁴ Order Adopting Staff's Report and Recommendation Attachment 1, Revised Sept. 1, 2010, Kansas Telephone Billing Practices, p. 18, 06-GIMT-187-GIT (Oct. 5, 2010); and Order Granting Waiver, p.2, 05-GCIT-110-TAR (July 16, 2015). On December 3, 3024, the Commission also granted a waiver request in Docket 25-HVDT-204-MIS.

suspension/disconnection notice is deposited in the U.S. mail before suspending/disconnecting service. Suspension/disconnection may be immediate if it is at subscriber request or abandonment, involves a dangerous condition, adversely affects the safety of the subscribers or other persons, or involves unauthorized interference with or fraudulent use of services. See IV. A.l.a-g, i and j.

- 2. **Delivery of Notice.** Service suspension/disconnection notices shall be mailed separately from bills, information or advertising, and shall be sent to the customer of record. Service of notice by mail is complete after being deposited by the carrier in the U.S. mail. The telecommunications provider shall maintain an accurate record of the date of mailing and the suspension/ disconnection effective dates.
- 3. **Notice Information Requirements.** The suspension/disconnection notice shall contain the following Information:
 - a. The name, billing address and account number(s) of the subscriber being suspended.
 - b. A clear and concise statement of the reason for the proposed suspension/ disconnection of service and terms under which suspension/disconnection may be avoided.
 - c. The date and time by which payment is required to avoid suspension/ disconnection.
 - d. A clear and concise explanation of the charges and conditions for reconnection of service.
 - e. A statement that suspension/disconnection may be postponed or avoided if the subscriber makes payment arrangement with the provider for moneys not in dispute.
 - f. A clear concise statement to apprise the subscriber of the availability of an administrative procedure that may be utilized in the event of a bona fide dispute or under other circumstances, such as provided in Section IV. G. The address, telephone number and name of the provider's office or personnel empowered to review disputed bills, rectify errors and prevent suspension/disconnection, shall be clearly set forth. The notice shall state that the subscriber may talk with an employee of the provider and may present his or her reasons for disputing a bill, requesting payment arrangements or requesting a postponement of suspension/disconnection. The notice shall also contain the telephone number of the

Commission's Consumer Protection Office.

- 6. SCT's Application requests a waiver of the written notification requirement only in Section IV.D.1 and IV.D.2 of the TBPs to allow the SCT to substitute electronic mailing of notices of suspension or disconnection of service.⁵ SCT represented that the cost to SCT to process and mail the paper disconnect notices for the 2024 calendar year was \$5,213.19.⁶ SCT further represented that, based on industry statistics, 40% of its customers will choose billing communications via electronic mail by the end of 2025 and that approval of the waiver of the requirements of Section IV.D.1 and IV.D.2 of the TBPs will generate significant cost savings to SCT.⁷
- 7. SCT additionally represented that electronic communications may expedite the delivery of notices and has the potential to rectify past due balances prior to service disconnection.⁸ Its current billing system can flag and track accounts that have authorized SCT to send billing and delinquent notices via electronic mail.⁹ Customers may opt out of electronic communications and notifications and instead choose traditional mailed paper notifications.¹⁰

II. FINDINGS AND CONCLUSIONS

- 8. The Commission finds that the recommendations contained in Staff's March 12, 2025, R&R are reasonable and hereby adopts the same.
- 9. The Commission concludes that SCT's request for waiver of the written notification requirements set forth in Subsections IV.D.1 and IV.D.2 of the TBPs is reasonable, is in the public

⁵ Application, p. 2.

⁶ *Id.*, p. 3.

⁷ *Id*.

⁸ *Id*.

⁹ *Id*., p. 4.

¹⁰ Id

interest, and therefore should be granted, subject to the condition contained in Staff's March 12, 2025, R&R and set forth in ordering paragraph (B) below.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

- A. SCT's request for a waiver of TBP Section IV.D.1 and IV.D.2 is hereby granted.
- B. SCT shall timely file their updated tariff page(s) in this docket.
- C. SCT shall notify all existing customers that suspension of service and disconnection of service will be made via electronic mail unless the customer specifically opts out at least thirty (30) days prior to implementing the new notification process.
- D. 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.
- E. 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).¹¹

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 03/18/2025

Abigail D. Emery

Acting Secretary to the Commission

MKH

¹¹ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

ATTACHMENT A

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Laura Kelly, Governor

Andrew J. French, Chairperson Dwight D. Keen, Commissioner Annie Kuether, Commissioner

REPORT AND RECOMMENDATION UTILITIES DIVISION

TO: Andrew J. French, Chairperson

Dwight D. Keen, Commissioner Annie Kuether, Commissioner

FROM: Hemant Bhagat, Senior Telecommunications Analyst

Steve Garrett, Deputy Chief of Telecommunications

Jeff McClanahan, Director of Utilities

DATE: March 12, 2025

SUBJECT: Docket No. 25-SCNT-346-MIS

In the Matter of the Application of South Central Telephone Association, Inc. for a

Waiver of Certain Telecommunications Billing Practice Standards

EXECUTIVE SUMMARY:

On March 10, 2025, South Central Telephone Association, Inc. (South Central) filed an application for a waiver of a certain portion of the Kansas Corporation Commission's (Commission) Telecommunications billing practice standards requiring the paper mailing of customer notices of suspension and/or disconnection. Specifically, South Central requests a waiver of the written notification requirement in Section IV.D.(1) and (2) which will allow South Central to substitute electronic mailing of notices of suspension or disconnection of service.

BACKGROUND:

On August 31, 2005, the Commission issued its Order opening Docket No. 06-GIMT-187-GIT for the purpose of reviewing proposed revisions to the Commission's Telephone Billing Practice Standards as proposed by the Commission Staff. The Commission found that changes to the telephone billing standards further the public interest and fulfill the legislative directive set forth in K.S.A. 66-2001 by appropriately updating the telephone billing standards to reflect the changes in technology and industry practices that have developed since they were first issued. The Commission found these standards enhance the availability of quality telecommunications services at affordable prices to as many Kansas customers as possible, as desired by the legislature in K.S.A. 66-2001.

On July 16, 2010, the Commission issued its Final Order, wherein the Commission adopted new telephone billing standards as set forth in the Order and Attachment 1 to the Order, incorporated therein. This Final Order culminated an extensive collaborative discussion between Staff and the

parties by addressing certain issues that had remained unresolved and disputed. The Commission noted it sought to update the billing standards to reflect changes in technology and to the telecommunications industry, as well as balancing the needs of consumers and the industry. On September 1, 2010, the Commission issued its Order on Petition for Reconsideration addressing AT&T's petition for reconsideration. The Commission discussed and clarified the provision requiring carriers to provide rate estimates to customers at Section 1.G.2., "General Rate Information," the standard to be applied to applications by carriers for waivers from the billing standards at Section V, and the provision at Section IV.A.2.d(i) and (ii), "Suspension and Disconnection Standards," limiting the time period for denial of service based on unpaid bills. The Commission also modified the language in Section V.

Section V of the Telecommunications Billing Practices states:

The requirements contained in these standards may be waived on an individual case basis by the Commission upon application by the telecommunications provider and showing that a waiver is in the public interest. In making this determination, the Commission's considerations will include the interests of the applicant telecommunications provider, the interests of the affected consumer(s) and the interests of the public.¹

Section IV. D. of the Telecommunications Billing Practices; Suspension/Disconnection of Service Standards states:

- D. Notice of Suspension/Disconnection of Service:
 - 1. Time Requirement: The telecommunications provider shall give the subscriber seven (7) calendar days written notice from the date the suspension/disconnection notice is deposited in the U.S. mail before suspending/disconnecting service. Suspension/disconnection may be immediate if it is at subscriber request or abandonment, involves a dangerous condition, adversely affects the safety of the subscribers or other persons, or involves unauthorized interference with or fraudulent use of services. See IV. A. 1. a-g, I, and j.
 - 2. Delivery of Notice. Service suspension/disconnection notices shall be mailed separately from bills, information or advertising, and shall be sent to the customer of record. Service of notice by mail is complete after being deposited by the carrier in the U.S. mail. The telecommunications provider shall maintain an accurate record of the date of mailing and the suspension/disconnection effective dates.
 - 3. Notice Information Requirements. The suspension/disconnection notice shall contain the following information:
 - a. The name, billing address and account number(s) of the subscriber being suspended.

¹ Order Adopting Staff's Report and Recommendation, October 4, 2010, Docket No. 06-GIMT-187-GIT, Attachment 1, p. 18.

- b. A clear and concise statement of the reason for the proposed suspension/disconnection of service and terms under which suspension/disconnection may be avoided.
- c. The date and time by which payment is required to avoid suspension/disconnection.
- d. A clear and concise explanation of the charges and conditions for reconnection of service.
- e. A statement that suspension/disconnection may be postponed or avoided if the subscriber makes payment arrangement with the provider for moneys not in dispute.
- f. A clear concise statement to apprise the subscriber of the availability of an administrative procedure that may be utilized in the event of a bona- fide dispute or under other circumstances, such as provided in Section IV.G. The address, telephone number and name of the provider's office personnel empowered to review disputed bills, rectify errors and prevent suspension/disconnection, shall be clearly set forth. The notice shall state that the subscriber may talk with an employee of the provider and may present his or her reasons for disputing a bill, requesting payment arrangements or requesting a postponement of suspension/disconnection. The notice shall also contain the telephone number of the Commission's Consumer Protection Office.²

ANALYSIS:

South Central requests a waiver of the written notification requirement in only Section IV.D.(1) and (2) to allow the Company to substitute electronic mailing of notices of suspension or disconnection of service. The Commission has previously granted similar waivers from the standards in Docket No. 11-RRLT-188-MIS³, Docket No. 15-MRGT-110-MIS⁴, Docket No. 25-HVDT-204-MIS⁵, and Docket No. 25-RNBT-212-MIS.⁶ Section V. of the Kansas Telephone Billing Practices allows the Commission to consider an application from a company requesting waiver of requirements if the waiver is in the interests of the applicant telecommunications provider, the interests of the affected consumer(s) and the interests of the public.

The cost to South Central to process and mail the paper disconnect notices for the 2024 calendar year was \$5,213.19.7 South Central estimates, based on industry statistics, that 40% of customers will choose billing communications via electronic mail by end of 2025 and that granting the

² Order Adopting Staff's Report and Recommendation, October 4, 2010, Docket No. 06-GIMT-187-GIT, Attachment 1, pp. 13-16.

³ Order Granting Application for Waiver, May 17, 2011.

⁴ Order Granting Waiver, February 12, 2015.

⁵ Order Granting Waiver, December 3, 2024.

⁶ Order Granting Waiver, December 5, 2024.

⁷ Application, p. 3.

approval of the proposed electronic mail and waiver of paper bills will generate significant cost savings to the company.

South Central states that the primary motivators of the request for electronic communication are to expedite the delivery of the notices and drive operational efficiencies. The Company indicated that the expedited delivery has the potential to rectify past due balances prior to service disconnection that the customers experience due to delays in receiving paper copies through the United States Postal Service.⁸

South Central current billing system is able to flag and track accounts that have authorized the Company to send billing and delinquent notices via electronic mail. That existing functionality would be used to provide operational efficiencies for South Central.⁹

For any customers not already receiving electronic notifications, South Central is proposing to notify all current customers that disconnection of service and suspension of service will be made via electronic mail and text message unless a customer elected to stay with the current "opt in" process to receive paper notifications. New customers will have the same options provided to them when the service is initiated. If a customer has elected to receive electronic notifications, but communication fails, South Central will mail a paper notice of suspension or disconnection of service. Ocmmission Staff reviewed the verbiage of the paper notice and is satisfied with the message.

For customers that have opted in, South Central has a process for customers with invalid email addresses. South Central will generate a report noting any invalid email addresses and the customer service team will contact customers with the invalid email addresses to correct the email address in South Central's billing system.¹²

The Applicant is properly registered with the Kansas Secretary of State's office and its status is Active and in Good Standing.

RECOMMENDATION:

Staff believes, South Central's request for waiver of the Telecommunications Billing Practice Standards has met the required criteria in Section V. of the Kansas Telephone Billing Practices and recommends the Commission approve the waiver as requested by the Company. Staff also recommends the Commission require South Central to notify all existing customers that suspension of service and disconnection of service will be made via electronic mail unless the customer specifically opts out at least thirty (30) days prior to implementing the new notification process. Staff further requests that South Central file their updated Tariff page(s) in the instant docket.

⁸ *Id*.

⁹ Application, p.4.

¹⁰ Id.

¹¹ Application, p.4.

¹² Application, p. 2.

CERTIFICATE OF SERVICE

25-SCNT-346-MIS

I, the undersigned, certify that a electronic service on	• •	s been served to the following by means of
BRETT W. BERRY, LITIGATION C KANSAS CORPORATION COMMI 1500 SW ARROWHEAD RD TOPEKA, KS 66604 brett.berry@ks.gov		MADISEN HANE, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604 madisen.hane@ks.gov
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	/S/ KCC Doc	ket Room

KCC Docket Room