THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Pat Apple, Chairman Shari Feist Albrecht Jay Scott Emler

In the Matter of the Application of) Southwestern Bell Telephone Company for) Approval of Interconnection Agreement Under) Docket No. 17-SWBT-160-IAT the Telecommunications Act of 1996 with) Airus, Inc.)

ORDER APPROVING INTERCONNECTION AGREEMENT

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed its files and records and being duly advised in the premises, the Commission makes the following findings:

1. On January 27, 2017, Southwestern Bell Telephone Company (SWBT) filed an application for approval of an Interconnection Agreement between itself and Airus, Inc. (Airus).

2. The requested modification expands the underlying Interconnection Agreement to include the state of Texas.

3. The Commission derives its authority to supervise telecommunications public utilities from K.S.A. 66-1,188. K.S.A. 66-1,190 requires all telecommunications public utilities doing business in Kansas over which the Commission has control to "publish and file with the commission copies of all schedules of rates, joint rates, tolls, charges, classifications and divisions of rates affecting Kansas traffic, either state or interstate, and shall furnish the commission copies of all rules and regulations and contracts between such telecommunications public utilities pertaining to any and all jurisdictional services to be rendered by such telecommunications public utilities."

4. Section 252(e)(2) of the Federal Telecommunications Act of 1996¹ states that State commissions may reject a negotiated agreement only if it finds that the agreement (or portions thereof) discriminates against a telecommunications carrier not a party to the agreement; or the implementation of such an agreement (or portions thereof) is not consistent with the public interest, convenience, and necessity.

5. Commission Staff submitted a Report and Recommendation in regards to the Interconnection Agreement on March 3, 2017, attached hereto and made a part hereof by reference. Staff has no concerns regarding the Application, affirming that this Agreement does not discriminate against a carrier not a party to the Agreement and stating that approval of this Agreement is in the public interest. Staff recommended approval of the Interconnection Agreement.

6. The Commission finds Staff's findings and recommendation to be reasonable and hereby adopts the same.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Interconnection Agreement between Southwestern Bell Telephone Company and Airus, Inc., filed January 27, 2017, is approved.

B. The parties have fifteen (15) days, plus three (3) days if service of this order is by mail, from the date this order was served in which to petition the Commission for reconsideration of any issue or issues decided herein. K.S.A. 66-118b; K.S.A. 77-529(a)(1).

C. The Commission retains jurisdiction over the subject matter and parties for the purpose of issuing such further order, or orders, as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Apple, Chairman; Albrecht, Commissioner; Emler, Commissioner

¹47 U.S.C. §252(e)(2).

Dated: _____ MAR 2 8 2017

Amy L. Green Secretary to the Commission

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Utilities Division 1500 SW Arrowhead Road Topeka, KS 66604-4027

Pat Apple, Chairman Shari Feist Albrecht, Commissioner Jay Scott Emler, Commissioner Kansas Corporation Commission

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Sam Brownback, Governor

REPORT AND RECOMMENDATION UTILITIES DIVISION

- TO: Chairman Pat Apple Commissioner Shari Feist Albrecht Commissioner Jay Scott Emler
- **FROM:** Kelly Mabon, Telecommunications Analyst Christine Aarnes, Chief of Telecommunications Jeff McClanahan, Director of Utilities
- **DATE:** March 3, 2017
- **SUBJECT:** Docket No. 17-SWBT-160-IAT In the Matter of the Application of Southwestern Bell Telephone Company for Approval of Interconnection Agreement Under the Telecommunications Act of 1996 with Airus, Inc.

EXECUTIVE SUMMARY:

On January 27, 2017, Southwestern Bell Telephone (SWBT) filed a Modification to an Interconnection Agreement (Agreement) between SWBT and Airus, Inc. (Airus). Staff recommends approval of the filing.

The Commission action date is Thursday, April 27, 2017.

BACKGROUND:

The Commission derives its authority to supervise telecommunications public utilities from K.S.A. 66-1,188. K.S.A. 66-1,190 requires all telecommunications public utilities doing business in Kansas over which the Commission has control to "publish and file with the commission copies of all schedules of rates, joint rates, tolls, charges, classifications and divisions of rates affecting Kansas traffic, either state or interstate, and shall furnish the commission copies of all rules and regulations and contracts between such telecommunications public utilities pertaining to any and all jurisdictional services to be rendered by such telecommunications public utilities."

The U.S. Congress and the Federal Communications Commission (FCC) have pre-empted certain aspects of state regulation of interconnection between telecommunications carriers. Section 252(e)(2) of the Federal Telecommunications Act of 1996 (47 U.S.C. §252(e)(2))

requires the Commission to presume that interconnection agreements entered into through negotiation and submitted for Commission approval are valid unless:

- 1) the agreement (or portions thereof) discriminates against a telecommunications carrier not a party to the agreement; or
- 2) the implementation of such an agreement (or portions thereof) is not consistent with the public interest, convenience, and necessity.

ANALYSIS:

This modification expands the underlying Agreement to include the state of Texas.

The Applicant is seeking review and approval of an Amendment to this Agreement under Section 252(e) of the Federal Telecommunications Act. Section 252(e) of the Federal Act states that state commissions may reject a negotiated agreement only if it finds that the agreement (or portions thereof) discriminates against a telecommunications carrier not a party to the agreement; or the implementation of such an agreement (or portions thereof) is not consistent with the public interest, convenience and necessity. Staff has reviewed the proposed Amendment to the Agreement and finds no such cause for concern with this filing.

RECOMMENDATION:

Staff recommends the Commission grant approval of the Amendment to the Agreement between SWBT and Airus.

CERTIFICATE OF SERVICE

17-SWBT-160-IAT

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of

Electronic Service on MAR 2 8 2017

JOHN MCCLUSKEY, GENERAL MANAGER AIRUS, INC. 840 S CANAL 7TH FL CHICAGO, IL 60607 Fax: 312-506-0931 jmccluskey@airustel.com

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/S/ DeeAnn Shupe DeeAnn Shupe

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