



GVNW CONSULTING, INC.

2270 LA MONTANA WAY#200
COLORADO SPRINGS, CO (80918)
TEL. 719.594.5800
FAX 719.594.5803
www.gvnw.com

April 11, 2017

Ms. Amy L. Green
Secretary to the Commission
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604-4027

RE: Docket No. 17-PLTC-032-KSF
In the Matter of the Audit of Peoples Telecommunications LLC dba Peoples LD (IXC) by the Kanas Universal Service Fund (KUSF) Administrator Pursuant to K.S.A 2015 Supp. 66-2010(b) for KUSF Operating Year 19, Fiscal Year March 2015-February 2016

Dear Ms. Green:

In its August 2, 2016 order the Kansas Corporation Commission (KCC) directed GVNW to perform a KUSF carrier audit of Peoples Telecommunications LLC dba Peoples LD (IXC) (Peoples LD or Company) to ensure that the data submitted to the KUSF via the KUSF CRWs, the assessments paid, and the calculation and application of the flow-through surcharge billed to and collected from Peoples LD's customers, if applicable, are appropriate and accurate.

The KCC directed GVNW to file two versions of the audit report with the KCC; one version containing confidential information and one version with the confidential data redacted for public disclosure. Peoples LD's audit does not require a separate confidential report; therefore, only the enclosed public audit report for Peoples LD is being filed.

Copies of the supporting documentation, including GVNW's audit work papers and information provided by the company, are not included with the audit report, but are available from GVNW upon request.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Worlton", is written over a light blue horizontal line.

Jim Worlton
Consultant

cc w/encl: Sandy Reams

KANSAS UNIVERSAL SERVICE FUND AUDIT REPORT

Docket No: 17-PLTC-032-KSF
Peoples Telecommunications LLC dba Peoples LD (IXC)

Prepared For: Kansas Corporation Commission
Kansas Universal Service Fund

Prepared By: Jim Worlton
GVNW Consulting, Inc.

Audit Period: March 1, 2015 through February 29, 2016
Kansas Operating Year 19 (Operating Year 19)

Company Representatives: Kathy Billinger
Megan Rice

Date of On-Site Visit: December 1 and 2, 2016

Date Submitted to Company: March 31, 2017

Audit Summary

Based on the Kansas Universal Service Fund (KUSF) Carrier Review Procedures for Operating Year 19,¹ GVNW Consulting, Inc. (GVNW) did not identify any KUSF deficiencies regarding Peoples Telecommunications, LLC d/b/a Peoples LD interexchange carrier (IXC) (Peoples IXC or Company) and recommends this Docket be closed.

Current KUSF Obligations

Peoples IXC is current with its KUSF obligations.²

Background

Peoples IXC is an interchange carrier headquartered in La Cygne, Kansas. The Company only offers intrastate long distance and operator services. As an IXC, the Company does not offer Lifeline services. The Company is required to report its revenues and pay the related assessments to the KUSF on a monthly basis.³ Peoples IXC is authorized to collect an amount equal to or less than its assessment from customers,⁴ and does so.

¹ Docket No. 15-GIMT-073-GIT (Docket 15-073), July 14, 2016, Order Accepting GVNW's KUSF Year 19 Audit Selections, Proposed Revisions to Selection Criteria and Audit Review Procedures.

² Confirmed on March 13, 2017 with the KUSF Administrator.

³ Docket No. 06-GIMT-332-GIT (Docket 06-332), January 23, 2006, Order Setting the Kansas Universal Service Fund Assessment Rate for Year Ten and Establishing Reporting Requirements.

⁴ K.S.A. 66-2008.

Peoples IXC does not offer bundled services and reports gross revenues prior to discounts for KUSF reporting purposes.⁵

On August 2, 2016, the Kansas Corporation Commission (KCC) issued Order No. 1 in Docket No. 17-032 directing GVNW to conduct an audit for KUSF purposes.

Audit Findings

GVNW conducted the audit of Peoples IXC in accordance with the KUSF Carrier Review Procedures adopted by the KCC.⁶

GVNW did not identify any KUSF audit deficiencies related to the current audit period and recommends closing this Docket.

⁵ Source: Peoples IXC response to DR No 3.C

⁶ Docket 15-073, July 14, 2016, Order.

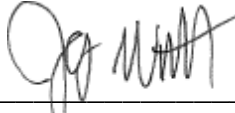
CERTIFICATE OF SERVICE

I hereby certify that on this 11th day of April, 2017, the above Kansas Universal Service Fund Audit Report was e-filed with the Kansas Corporation Commission and a copy was sent via electronic mail and/or U.S. Mail to:

Kansas Corporation Commission
1500 S.W. Arrowhead Road
Topeka, KS 66604

Otto Newton, Litigation Counsel
Otto Newton
1500 SW Arrowhead Road
Topeka, KS 66604
Email: o.newton@kcc.ks.gov

Kathy Billinger, CEO/General Manager
Peoples Services, LLC
208 N Broadway
PO Box 450
La Cygne, KS 66040
Email: kathy@peoplestelecom.net



Jim Worlton