BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

| In the Matter of the Audit of IdeaTek Telcom, |) | |
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| LLC, by the Kansas Universal Service Fund |) | |
| (KUSF) Administrator Pursuant to K.S.A. 66- |) | Docket No. 25-WLDT-100-KSF |
| 2010(b) for KUSF Operating Year 27, Fiscal |) | |
| Year March 2023-February 2024. |) | |

RESPONSE OF IDEATEK TELCOM, LLC TO THE PETITION TO INTERVENE OF THE RURAL TELEPHONE COMPANIES

COMES NOW IdeaTek Telcom, LLC ("IdeaTek" or "Company"), and responds as follows to the Petition to Intervene filed by the Rural Telephone Companies ("RLECs") on August 12, 2025 ("PTI"). In response, IdeaTek states as follows:

1. IdeaTek objects to the intervention of the RLECs because they have not met the legal standard for intervention: (1) the RLECs fail to state an interest in this proceeding adequate to support intervention; (2) there is no provision of law that qualifies the RLECs as an intervenor, (3) their intervention will impair the orderly and prompt conduct of the proceedings; and (4) intervention is not in the interests of justice.

I. THE RLECS HAVE NOT MET THE STATUTORY STANDARD FOR INTERVENTION

2. The RLECs correctly identify the legal standard for intervention as of right as set forth in K.A.R. 82-1-225(a) and K.S.A. 77-521(a) but fail to establish that they meet this standard. The statute requires that a petition be granted only if the petitioner "states facts demonstrating that the petitioner's legal rights, duties, privileges, immunities or other legal interests may be substantially affected by the proceeding or that the petitioner qualifies as an intervenor under any provision of law", and the "interests of justice and the orderly and prompt conduct of the

proceedings will not be impaired by allowing the intervention". The RLECs' Petition fails on both counts.

- 3. Furthermore, because the intervention will impair the orderly and prompt conduct of this docket and it is not in the interests of justice, discretionary intervention under K.A.R. 82-1-225(b) and K.S.A. 77-721(b) is not appropriate either.
- Α. The RLECs Have Not Demonstrated Their Rights or Interests will be Substantially Affected by this Proceeding or that They are Qualified as an Intervenor Under Another Law as Required for Mandatory Intervention.
- Intervention as of right requires the petitioner to establish that its rights or interests 4. will be *substantially* affected by the proceeding or that it qualifies for intervention under some other law. First, the RLECs do not qualify for intervention in this proceeding under any other law and they have not alleged otherwise.
- 5. Second, the RLECs have provided no evidence to support their claim that their rights or interests will be substantially affected by this proceeding, relying instead on the mere conclusory statement that they are "contributors to the KUSF and recipients of KUSF support" and that they have an interest "in assuring that contribution assessment rules are applied equally to all providers required to pay into the KUSF."1
- 6. A simple statement of status is not a demonstration of fact showing a substantial effect. Any potential impact on the RLECs is speculative and, if it occurred, would be de minimis. The audit in question concerns KUSF Operative Years 25, 26, and 27. Total KUSF collections for those years were \$40,872,330, \$39,347,365, and \$36,880,192, respectively. The disputed amount

¹ PTI, p. 2, ¶3.

² Kansas Corporation Commission, "KUSF History," for Operative Years 25, 26, and 27. Data accessed August 13, 2025. https://www.kcc.ks.gov/images/PDFs/telecommunications/kusfhistory.pdf.

in this case is insignificant when compared to these multi-million-dollar funds. Any decision by the Commission in favor of IdeaTek in this case would, at most, equate to a rounding error in its impact on the RLECs' KUSF receipts. This impact is financially trivial, falling far short of the "substantially affected" standard required by law.

7. The RLECs' statement that they have an interest "in assuring that contribution assessment rules are applied equally to all providers required to pay into the KUSF" is also inapposite for supporting intervention. The RLECs are IdeaTek's competitors; they are not regulators. The Commission, Staff and the KUSF Auditor are charged with interpreting the KUSF laws, establishing the policies for the KUSF, and assuring that providers are treated fairly and equitably in the administration of the KUSF. Regulating other competing carriers is not a "right, duty, privilege or legal interest" statutorily bestowed upon or held by the RLECs.

B. The RLECs Intervention Would Impair the Orderly and Prompt Conduct of this Proceeding.

- 8. Allowing the RLECs to intervene would impair the orderly and prompt conduct of this proceeding for a number or reasons. First, IdeaTek points out that it filed its response to the Audit Report on June 24, 2025, and the RLECs did not file their PTI until almost two months later, a day before IdeaTek and Staff were to appear before the Hearing Officer to present the issues and discuss a schedule. Because of the tardiness of the PTI, the scheduling conference and the presentations the parties had prepared were postponed. Thus, the RLECs attempt at intervention has already caused procedural delays and uncertainty.
- 9. Second, as evidenced by the PTI itself, the RLECs improperly seek to expand this narrow audit into a broad, historical investigation of IdeaTek's business practices, asking the Commission to conduct a "historical accounting" and recommending "corrective actions" on

matters unrelated to the audit's scope.³ Simply put, the RLECs' allegations about IdeaTek's billing practices are erroneous.⁴ Trying to inject into a KUSF audit proceeding matters unrelated to the issues in dispute that concern the Audit Findings impairs the audit proceeding, slows the receipt of a decision on those issues, and increases audit costs for the carrier being audited.

10. For these reasons, the RLECs request to intervene as a matter of right should be denied for failure to meet the legal standard required for mandatory intervention.

C. The RLECs Also Do Not Qualify for Permissive Intervention.

- 11. Permissive intervention under K.A.R. 82-1-225(b) and K.S.A. 77-721(b) is also inappropriate because the intervention will impair the orderly and prompt conduct of this docket as explained above. Furthermore, it is not in the interests of justice as required by the statute and regulation.
- 12. It is not in the "interests of justice" to allow a party to intervene in a proceeding where it does not have a substantial interest at stake in the outcome, but it does have a historically contentious relationship with the provider being audited which is its competitor. Trying to use a regulatory audit to increase the expenses of or to harass a competitor is a misuse of Commission process that should not be sanctioned.
- 13. As stated above, IdeaTek disagrees with the RLECs' assumption that a violation of the billing practices even exists. There is a significant question as to whether a fee associated with

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³ PTI at p. 5, ¶14.

⁴ IdeaTek notes that the RLECs are not customers of IdeaTek and, thus, are not affected by the billing practice of about which they complain. As a competitor of IdeaTek – and historically, a contentious one - the RLECs motives are questionable in this regard. The average monthly collection for the fees at issue during the three audit periods in the audit were less than \$120.00 across IdeaTek's thousands of customers. That the RLECs would seek to intervene and litigate such a profoundly insignificant amount demonstrates that this complaint is not a good-faith effort to remedy a harm but is, instead, a pretext to burden the audit and IdeaTek and this case with unnecessary costs and delay.

a VoIP service is subject to KCC oversight, even when the provider is an ETC and certificated CLEC.⁵ When the RLECs were trying to avoid the obligation to interconnect with IdeaTek in a prior KCC docket, they aggressively argued that IdeaTek, as a VoIP provider, is not a "telecommunications carrier" under federal and state law.⁶ The RLECs now want to argue that IdeaTek is a telecommunications carrier for purposes of the Commission's authority over billing fees and billing practices.⁷ This contradiction in position is evidence of the continued contentiousness motivating the RLECs' approach to IdeaTek, revealing the true purpose of the PTI; to disrupt IdeaTek's business. Furthermore, for good reason, it is procedurally improper to litigate a far-reaching, non-KUSF issue such as this jurisdictional ambiguity within a company-specific KUSF audit proceeding.

14. It is not in the interests of justice to allow an entity to intervene in a proceeding to harass a competitor, especially when that entity has nothing of value to add to the proceeding. Injecting non-KUSF issues into this docket guarantees unnecessary delay and increased costs, contrary to the standards for permissive intervention.

II. CONCLUSION

15. VantagePoint Solutions, Inc. ("VPS") presented four findings as a result of its audit of IdeaTek. IdeaTek has accepted two of those findings and is prepared to implement the recommendations of VPS on those findings. As for the remaining two, IdeaTek believes one

⁵ This Commission found that "VoIP providers are not telecommunications carriers under Kansas law." *In the Matter of a General Investigation into Interconnection, Porting, Evolving Technology, and the Impacts on Consumer Choices in Kansas*, Docket No. 20-GIMT-387-GIT ("20-387 Docket"), "Order on Commission Jurisdiction", issued Mar. 23, 2021 at ¶ 18.

⁶ In the 20-387 Docket, the RLECs argued, "[A]ny state regulation of an information service conflicts with the federal policy of nonregulation,' so that such regulation is preempted by federal law". ("Initial Brief of Rural Local Exchange Carriers", filed Sept. 17, 2020, ¶ 17.

⁷ Billing practices is not an area for which K.S.A. 66-2017 retained Commission authority over VoIP providers.

should be addressed in a generic proceeding where all potentially impacted parties can participate, and the other can be easily addressed between IdeaTek and Staff. IdeaTek has already taken steps to resolve these two issues and bring its KUSF audit to a close. Granting intervention to the RLECs at this advanced stage of the process serves only to complicate and delay a docket that is nearing an end with a simple and fair resolution.

WHEREFORE, for the foregoing reasons, IdeaTek respectfully requests the Commission deny the RLECs' Petition to Intervene.

Respectfully submitted,

|s| Glenda Cafer

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| STATE OF KANSAS |) |
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| |) ss |
| COUNTY OF SHAWNEE |) |

VERIFICATION

I, Glenda Cafer, verify under penalty of perjury that I have caused the foregoing pleading to be prepared; that I have read and reviewed the same; and that the contents thereof are true and correct to the best of my information, knowledge, and belief.

[s]Glenda Cafer

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Response was electronically served this 22nd day of August, 2025 to:

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