

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

Before Commissioners:                    Jay Scott Emler, Chairman  
   Shari Feist Albrecht  
   Pat Apple

In the Matter of an Investigation to Address                    )  
CenturyLink's CAF II and KUSF Support.                    )                    Docket No. 16-GIMT-511-GIT

**ORDER OPENING DOCKET TO ADDRESS CENTURYLINK'S CAF II AND  
KUSF SUPPORT**

This 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 finds:

1.        On August 20, 2015, the Commission opened Docket No. 16-GIMT-067-GIT (16-067 Docket) to determine the assessment rate for Year 20 of the Kansas Universal Service Fund (KUSF).

2.        On December 18, 2015, Commission Staff (Staff) filed testimony in the 16-067 Docket, summarizing the complexities of calculating the newly required Connect America Fund, Phase II (CAF II) support offset and explaining that for KUSF budgeting purposes, Staff included \$10.9 million of annual KUSF support for the United Telephone Companies of Kansas d/b/a CenturyLink (CenturyLink).

3.        On February 25, 2016, Staff submitted a Report and Recommendation (R&R), detailing how HB 2201 amended K.S.A. 66-2008(c), impacting how CenturyLink's annual KUSF support is calculated. Staff explained the calculation of CenturyLink's annual KUSF support must include a reduction to recognize the CAF II support CenturyLink receives for "the same household, if feasible, or the same census block."<sup>1</sup> Pursuant to K.S.A. 66-2008(c)(3),

---

<sup>1</sup> Report and Recommendation, 16-067 Docket, Feb. 25, 2016, p. 2.

CenturyLink's KUSF Year 20 support must recognize receipt of CAF II support received for the same household, where feasible, or the same census block. Determining the CAF II offset at the "same household" level, is more complex than determining the previously-used Federal Universal Service Support Fund (FUSF) support offset.

4. The R&R recommended opening a separate docket to address CenturyLink's CAF II and KUSF support, with the costs of the new proceeding assessed to CenturyLink.<sup>2</sup> Specifically, Staff recommended directing CenturyLink to file its proposed model and revised CAF II support offset calculations in a new proceeding, with the revisions recognizing CenturyLink will not provide service to all of its Kansas CAF II support eligible locations, the 2015 enabled locations to be reported to the FCC by July 1, 2016, and CenturyLink's preliminary 2016 enabled location data.

5. On March 8, 2016, the Commission issued an Order Authorizing CenturyLink to Receive Certain KUSF Support and Opening of a Separate Docket to Address CenturyLink's CAF II and KUSF Support, adopting Staff's R&R<sup>3</sup> and declaring a separate docket shall be opened to address CenturyLink's CAF II and KUSF support, with the costs of the new proceeding assessed to Century Link.<sup>4</sup> Accordingly, the Commission opens this Docket to address CenturyLink's CAF II and KUSF support, with the costs of this proceeding assessed to CenturyLink.

---

<sup>2</sup> *Id.*, p. 6.

<sup>3</sup> Order Authorizing CenturyLink to Receive Certain KUSF Support and Opening of a Separate Docket to Address CenturyLink's CAF II and KUSF Support, 16-067 Docket, Mar. 8, 2016, ¶ 12.

<sup>4</sup> *Id.*, Ordering Clause B.

6. CenturyLink is directed to file<sup>5</sup> its proposed model, its revised CAF II support offset calculations, the 2015 enabled locations reported to the FCC, and its preliminary 2016 enabled data by July 1, 2016.

7. CenturyLink is advised to work with Staff to address CAF II implementation issues, including a true-up mechanism, and coordinate any required filings in support of its claims for KUSF support. Staff shall submit a Report and Recommendation by August 20, 2016, to address a true-up to the Company's 2015 and 2016 KUSF support.

**THEREFORE, THE COMMISSION ORDERS:**

A. CenturyLink is directed to file its proposed model, its revised CAF II support, the 2015 enabled locations reported to the FCC, and its preliminary 2016 enabled data by July 1, 2016.

B. CenturyLink shall continue working with Staff to address CAF II support implementation issues, including a true-up mechanism, and coordinate any required filings in support of its claims for KUSF support. Staff shall submit a Report and Recommendation by August 20, 2016, to address a true-up to the Company's 2015 and 2016 KUSF support.

C. Electronic service will be used in this proceeding, including this Order.

D. The parties have fifteen days from the date this Order was electronically served to petition for reconsideration.<sup>6</sup>

E. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further orders as it deems necessary.

---

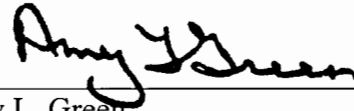
<sup>5</sup> In addition to filing this material with the Commission, CenturyLink should informally provide copies of the materials to: Sandy Reams ([s.reams@kcc.ks.gov](mailto:s.reams@kcc.ks.gov)) and Christine Aarnes ([c.aarnes@kcc.ks.gov](mailto:c.aarnes@kcc.ks.gov)).

<sup>6</sup> K.S.A. 66-118b; K.S.A. 77-529(a)(1).

**BY THE COMMISSION IT IS SO ORDERED.**

Emler, Chairman; Albrecht, Commissioner; Apple, Commissioner

Dated: ~~MAY 24 2016~~



Amy L. Green  
Secretary to the Commission

BGF

***EMAILED***

MAY 24 2016

## CERTIFICATE OF SERVICE

16-GIMT-511-GIT

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 MAY 24 2018.

DAVID E. BENGTSON, ATTORNEY  
STINSON LEONARD STREET LLP  
1625 N WATERFRONT PKWY STE 300  
WICHITA, KS 67206  
Fax: 316-268-9798  
david.bengtson@stinson.com

MARK E. CAPLINGER  
MARK E. CAPLINGER, P.A.  
7936 SW INDIAN WOODS PL  
TOPEKA, KS 66615-1421  
mark@caplingerlaw.net

MARK DOTY  
GLEASON & DOTY CHTD  
401S MAIN ST STE 10  
PO BOX 490  
OTTAWA, KS 66067-0490  
Fax: 785-842-6800  
doty.mark@gmail.com

MICHAEL DUEÑES, LITIGATION COUNSEL  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604-4027  
Fax: 785-271-3354  
m.duenes@kcc.ks.gov

BRIAN G. FEDOTIN, DEPUTY GENERAL COUNSEL  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604-4027  
Fax: 785-271-3314  
b.fedotin@kcc.ks.gov

THOMAS E. GLEASON, JR., ATTORNEY  
GLEASON & DOTY CHTD  
PO BOX 6  
LAWRENCE, KS 66049-0006  
Fax: 785-856-6800  
gleason@sunflower.com

JOHN R. IDOUX, DIRECTOR KANSAS GOVERNMENTAL  
AFFAIRS  
UNITED TELEPHONE CO. OF KANSAS  
D/B/A CENTURYLINK  
600 NEW CENTURY PKWY  
NEW CENTURY, KS 66031  
Fax: 913-345-6756  
john.idoux@centurylink.com

COLLEEN R. JAMISON  
JAMES M. CAPLINGER, CHARTERED  
823 SW 10TH AVE  
TOPEKA, KS 66612-1618  
Fax: 785-232-0724  
colleen@caplinger.net

RICH MAK, COO  
SENIOR TECH, LLC  
D/B/A SNAPFON  
100 CHEROKEE BLVD  
SUITE 216  
CHATTANOOGA, TN 37405  
rich.mak@seniortechllc.com

MICHAEL NEELEY, LITIGATION COUNSEL  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604-4027  
Fax: 785-271-3167  
m.neeley@kcc.ks.gov

## CERTIFICATE OF SERVICE

16-GIMT-511-GIT

BRUCE A. NEY, ATTORNEY  
SOUTHWESTERN BELL TELEPHONE CO.  
D/B/A AT&T KANSAS  
816 CONGRESS  
SUITE 1100  
AUSTIN, TX 78701  
Fax: 512-870-3420  
bruce.ney@att.com

SHONDA SMITH  
CITIZENS' UTILITY RATEPAYER BOARD  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
Fax: 785-271-3116  
sd.smith@curb.kansas.gov

KEVIN K. ZARLING  
UNITED TELEPHONE CO. OF KANSAS  
D/B/A CENTURYLINK  
400 W 15TH ST STE 315  
AUSTIN, TX 78701-1647  
Fax: 913-345-6756  
kevin.k.zarling@centurylink.com

DELLA SMITH  
CITIZENS' UTILITY RATEPAYER BOARD  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
Fax: 785-271-3116  
d.smith@curb.kansas.gov

TORRY R. SOMERS, ASSOCIATE GENERAL COUNSEL  
UNITED TELEPHONE CO. OF KANSAS  
D/B/A CENTURYLINK  
6700 VIA AUSTI PKWY  
LAS VEGAS, NV 89119  
Fax: 702-244-7775  
torry.r.somers@centurylink.com

/S/ DeeAnn Shupe  
DeeAnn Shupe

---

***EMAILED***

MAY 24 2016