

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

In the Matter of the Audit of Netelligent)
Corporation by the Kansas Universal Service)
Fund (KUSF) Administrator Pursuant to) Docket No. 24-NCPV-118-KSF
K.S.A. 66-2010(b) for KUSF Operating Year)
26, Fiscal Year March 2022-February 2023.)

STAFF'S RESPONSE TO MOTION FOR EXTENSION OF TIME

The Staff of the Corporation Commission of the State of Kansas (Staff and Commission, respectively), hereby files its Response to the August 22, 2024, *Motion for Extension of time* (Motion) filed by Netelligent Corporation (Netelligent). In response, Staff states the following:

1. On August 17, 2023, the Commission directed Vantage Point Solutions (VPS) to perform an audit of Netelligent Corporation (Netelligent) for Kansas Universal Service Fund (KUSF) purposes.

2. On May 10, 2024, VPS filed its Audit Report for Netelligent regarding Operating Year 26 (March 2022–February 2023) which recommended the Company do the following:

a.) File audit True-ups for FYs 25, 26, and 27 to exclude Fax IP service revenues and Local Number Portability for Existing Numbers revenues from its reporting, and to correct the revenues for the July 2022 reporting period that were originally filed in error;

b.) Issue one-time billing credits in the amount of \$2,922.75 to its affected customers, on a pro-rata basis;

c.) Update its billing system to exclude KUSF surcharge collection from Fax IP services and Local Number Portability for Existing Number charges;

d.) Update its KUSF reporting procedures to exclude reporting of Fax IP service revenues and Local Number Portability for Existing Number charges;

e.) Provide VPS with four (4) customer bills supporting that the refund process has been completed; and

f.) File an affidavit, signed by an officer of the Company, attesting that the Company:

i) Corrected its KUSF reporting Corrected its KUSF reporting procedures to omit Fax IP services and Local Number Portability for Existing Numbers charges from its reporting revenues;

ii.) Corrected its billing system to exclude KUSF surcharge collection from Fax IP services and Local Number Portability for Existing Numbers charges;

iii.) Issued refunds through one-time billing credits, totaling \$2,922.75, to its affected customers, on a pro-rata basis; and

iv.) Corrected the July 2022 revenues that were reported in error.

The affidavit should provide the date the corrective actions were implemented. VPS further recommended Netelligent be directed to take all corrective actions within 60-days from the date of the Commission's Order. VPS will file a Compliance Report in the Docket within 90-days of the Order.

3. On June 18, 2024, the Commission issued its Order Adopting Audit Report, directing Netelligent to correct deficiencies set forth in the Audit Report.

4. On August 22, 2024, Netelligent filed a Motion for Extension of Time requesting the deadline be extended to November 30, 2024. VPS's Compliance Report would accordingly be due by December 30, 2024.

5. Staff does not oppose the extension requested by Netelligent. However, Staff notes that because the VPS recommendations included the correction of billing practices and that credits be issued to customers, the longer it takes the Company to correct billing issues may have

cascading effects requiring further billing credits or remedial actions. Staff requests the Company ensure that its compliance actions are comprehensive of billing cycles that took place after VPS issued its audit report so that VPS and the Commission do not have to require additional recommendation.

6. Furthermore, Staff respectfully requests the Commission give due consideration to requiring Netelligent to advise Staff of its progress toward complying with the requirements of the June 18, 2024, Order Adopting Audit Report should Netelligent's Motion for Extension of Time be granted.

WHEREFORE, Staff does not object to extension of the deadline to November 30, 2024, noting its concern that Netelligent resolve all billing issues in that time period and advise Staff of its progress.

Respectfully submitted,

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For Commission Staff

CERTIFICATE OF SERVICE

24-NCPV-118-KSF

I, the undersigned, certify that a true and correct copy of the above and foregoing Staff's Response was served via electronic service this 26th day of August, 2024, to the following:

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