THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Dwight D. Keen, Chair Susan K. Duffy Andrew J. French

In the Matter of a General Investigation into)the Adjustment of Intrastate Switched Access)Charges for Rural Telephone Companies in)Docket ICompliance with K.S.A. 66-2005(e) and)Federal Communications Commission)Reforms.)

Docket No. 22-GIMT-549-GIT

ORDER OPENING DOCKET; REQUIRING COMPLIANCE FILINGS; ESTABLISHING PROCEDURAL SCHEDULE

NOW, 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:

Background

1. K.S.A. 66-2005(c) states that "[e]ach rural telephone company shall adjust its intrastate switched access rates on March 1 of each odd-numbered year to match its interstate switched access rates..." Additionally, K.S.A. 66-2005(c)(1) provides that "[a]ny reduction of a rural telephone company's cost recovery due to reduction of its intrastate access revenue, except such revenue recovered from another support mechanism, shall be recovered from the KUSF."¹

2. The purpose of this Docket is to determine the rural local exchange carriers' (RLECs) intrastate switched access rate adjustments necessary to maintain parity with interstate rates, determine each RLEC's calculated net intrastate access revenue increase or reduction, as well as the corresponding adjustment to each RLEC's annual KUSF support.

¹KUSF refers to the Kansas Universal Service Fund. See K.S.A. 66-2008.

Jurisdiction and Authority

3. The Commission holds full power, authority and jurisdiction to supervise and control the local exchange carriers pursuant to K.S.A. 66-1,188. Their rates must be just and reasonable pursuant to K.S.A. 66-1,189 and filed with the Commission pursuant to K.S.A. 66-1,190.

4. K.S.A. 66-2005(c) specifically addresses the intrastate switched access rate adjustments and corresponding KUSF modifications at issue in this proceeding.

Staff's Report and Recommendation

5. Commission Staff (Staff) submitted a Report and Recommendation (R&R) regarding this matter dated June 7, 2022, attached hereto as Exhibit A and made a part hereof by reference.

6. Staff's R&R contains a recitation of the relevant Commission and Federal Communications Commission (FCC) rulings to date with respect to intrastate access charges and KUSF adjustments.

7. The most pertinent rulings with respect to the Commission's administration of this matter include: 1) the Commission utilizes July 1 rather than March 1 in order to coincide with the FCC's reforms to intercarrier compensation;² 2) RLECs are required to adjust their intrastate rates subject to FCC reforms annually pursuant to FCC rules and adjust intrastate rates not subject to FCC reforms to parity in odd-numbered years;³ and 3) RLECs' intrastate access revenue reductions are to be offset by Access Recovery Charge (ARC) and Connect America Fund (CAF) support from the FCC pertaining to intrastate access revenue recovery.⁴

²Exhibit A, p. 3. ³*Id.* ⁴*Id.* at 4.

8. Staff explains that the adjustment to an RLEC's intrastate access revenue and annual KUSF support will be based on the difference between its interstate and intrastate access rates as of July 1, 2022, and the access minutes of use (MOU) for the twelve-month period ending June 30, 2022.⁵

9. In order to determine the necessary rates and KUSF modifications, Staff recommends the Commission require the RLECs to submit the data identified in Attachment 1 to its R&R, a copy of which will be placed on the Commission's website at https://kcc.ks.gov/telecommunications/service-provider-forms.⁶

10. Staff also recommended the following procedural schedule for this matter: each RLEC shall file in the Docket and an e-mail an Excel copy of Attachment 1 to Staff by August 12, 2022 (additionally, if an RLEC has its own non-NECA interstate tariff, it shall provide a copy of or link to it to Staff concurrent with filing Attachment 1); Staff shall submit a Report and Recommendation (R&R) by September 16, 2022; parties may file Responses to Staff's R&R by September 30, 2022; with the Commission's anticipated Order no later than November 10, 2022; and the KUSF support adjustments and new rates becoming effective July 1, 2023.

Findings and Conclusions

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

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. This Docket is opened for the purposes of administrating K.S.A. 66-2005(c)'s requirement for the RLECs to implement adjustments to their access rates in odd-numbered years.

⁵*Id.* at 2.

⁶Then open the link titled "RLEC Intrastate Access Form, Attachment 1 (Excel format)."

B. All RLECs are made parties to this docket. Parties that enter their appearance shall provide an e-mail address and indicate whether they consent to electronic service.

C. The Commission adopts the procedural schedule referenced above in paragraph 10.

D. RLECs shall file in this Docket a completed Attachment 1 by August 12, 2022. RLECs shall also e-mail a Microsoft Excel version of Attachment 1 to Staff by the same date, attention Sandy Reams: <u>s.reams@kcc.ks.gov</u>, Bryan Seamans: <u>b.seamans@kcc.ks.gov</u>; and Hemant Bhagat: <u>h.bhagat@kcc.ks.gov</u>. An electronic copy of Attachment 1 can be downloaded from the Commission's website at: https://kcc.ks.gov/telecommunications/service-provider-forms.⁷ RLECs do not need to serve Attachment 1 on any other party - only file it in the Docket and provide a copy to Staff by the required due date. Any RLEC with its own non-NECA interstate tariff is directed to provide a copy of or link to its July 1, 2022, interstate tariff to Staff concurrent with filing Attachment 1 in the Docket.

E. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).⁸

BY THE COMMISSION IT IS SO ORDERED.

Keen, Chair; Duffy, Commissioner; French, Commissioner

Dated: 06/16/2022

Lynn M. Ref

Lynn M. Retz Executive Director

MRN

⁷Then open the link titled "RLEC Intrastate Access Form, Attachment 1 (Excel format)." ⁸K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

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Dwight D. Keen, Chair Susan K. Duffy, Commissioner Andrew J. French, Commissioner Laura Kelly, Governor

REPORT AND RECOMMENDATION UTILITIES DIVISION

- TO: Dwight D. Keen, Chair Susan K. Duffy, Commissioner Andrew J. French, Commissioner
- **FROM:** Hemant Bhagat, Senior Telecommunications Analyst Sandy Reams, Assistant Chief of Telecommunications Bryan Seamans, Chief of Telecommunications & SPP Affairs Jeff McClanahan, Director of Utilities
- **DATE:** June 7, 2022
- SUBJECT: Docket No. 22-GIMT-549-GIT

In the Matter of a General investigation Into the Adjustment of Intrastate Switched Access Charges for Rural Telephone Companies in Compliance with K.S.A. 66-2005(e) and Federal Communications Commission Reforms.

EXECUTIVE SUMMARY

Staff recommends the Commission issue an order to open a docket to address the rural local exchange carriers' (RLECs) intrastate switched access rate, revenue, and Kansas Universal Service Fund (KUSF) support adjustments consistent with K.S.A. 66-2005(c) and the Federal Communications Commission's (FCC's) access reforms. Staff recommends each RLEC be directed to complete and file Attachment 1 in the Docket and provide Staff an Excel copy at <u>b.seamans@kcc.ks.gov</u>, <u>s.reams@kcc.ks.gov</u>, and <u>h.bhagat@kcc.ks.gov</u> on or before August 12, 2022. Staff recommends Attachment 1 be available for download from the Commission's website at: <u>https://kcc.ks.gov/telecommunications/service-provider-forms</u>, and that an RLEC with its own interstate tariff be directed to provide a copy of, or a link to, its July 1, 2022 interstate tariff to Staff no later than August 12, 2022. Staff also recommends the Commission adopt Staff's proposed Procedural Schedule to ensure adequate time for Staff to review the filings, submit a Report and Recommendation to the Commission, and the Commission to issue an order to allow Staff to reflect the relevant KUSF support adjustments in its annual KUSF assessment rate testimony filed in December 2022.

BACKGROUND

I. Biennial Intrastate Access Adjustments - K.S.A. 66-2005(c)

Pursuant to K.S.A. 66-2005(c) and Commission Order,¹ all RLECs are required to reduce their intrastate switched access rates to interstate levels effective July 1st of each odd-numbered year. K.S.A. 66-2005(c)(1) provides that any reduction in an RLEC's intrastate access revenue resulting from the reduction to its intrastate access rate is recoverable from the KUSF, except for such revenue recovered from another support mechanism. The RLECs' recovery of their aggregate access revenue is limited to .75% (.0075) of the intrastate retail revenues used to set the KUSF assessment rate. If the amount of revenue recovery from the KUSF exceeds the revenue limit, the remaining revenue and rate adjustments are deferred until the next odd-numbered year. Staff does not anticipate this provision will apply as the limit, based on the current KUSF year's intrastate revenue base of \$343.98 million,² is \$2.6 million.

The Commission most recently addressed the RLECs' intrastate access rate and KUSF support adjustments pursuant to K.S.A. 66-2005(c) in Docket No. 21-GIMT-021-GIT.³ For interstate access purposes, Columbus Communications Services, LLC (Columbus); LaHarpe Telephone Company, Inc. (LaHarpe); Pioneer Telephone Association, Inc. (Pioneer); Moundridge Telephone Company (Moundridge); Rural Telephone Service Co., Inc. (Rural); Totah Telephone Co., Inc. (Totah); Twin Valley Telephone, Inc. (Twin Valley); and Wamego Telecommunications Company, Inc. (Wamego) maintain their own interstate access tariffs. The remaining RLECs concur in the National Exchange Carrier Association's (NECA) interstate access pools and tariff.

NECA's tariffed rates are based on pooling its RLEC members' costs and usage to determine the rates necessary to allow each member to recover its interstate access revenue requirement. The tariff contains Rate Bands, or varying rates, to allow members with higher costs to charge higher rates and members with lower costs to have lower rates. NECA's tariff includes numerous end-office switching Rate Bands, with terminating end office switching rates at bill-and-keep or zero (\$0.00). NECA's tariff includes two tandem switch service Rate Bands, separately for originating and for terminating service.⁴ Interstate terminating and originating access rates are adjusted annually, with member RLECs authorized to increase intrastate rates to remain at parity with NECA's rates.⁵

For this Docket, an RLEC's intrastate access revenue and annual KUSF support adjustment will be based on the difference between its interstate and intrastate access rates that are not subject to the FCC's reforms, as of July 1, 2022, and the access minutes of use (MOU) for the twelve-month period ending June 30, 2022. Prior to 2000, the RLECs' intrastate switched access rates were reduced to parity with their interstate rates;⁶ however, in 2000 the RLECs' usage declined and

¹ Order Implementing Intrastate Switched Access Adjustments for Rural Local Exchange Carriers, Docket No. 13-GIMT-004-GIT (Docket 13-004), Sept. 14, 2012 (Sept. 2012 Order).

² Order Adopting KUSF Assessment Rate, Jan. 25, 2021; Direct Testimony of Sandy Reams, p. 5, Exhibit SKR-1, p. 2, Dec. 16, 2021; Docket No. 22-GIMT-142-GIT.

³ Order Adopting Revised Intrastate Access Rates, Revenues, and KUSF Adjustments; Penalties for MoKan and South Central, Docket No. 21-GIMT-021-GIT, Oct. 8, 2020.

⁴ Tandem switch services include tandem switched facility, termination, and switching.

⁵ Order, In the Matter of Connect America Fund, WC Docket 10-90, rel. March 27, 2013 (March 2013 Order).

⁶ Order, Docket No. 94-GIMT-478-GIT, Dec. 27, 1996.

their interstate access rates increased to ensure recovery of their interstate access revenue requirements. The Commission determined K.S.A. 66-2005 focuses on rate parity and an RLEC must adjust its intrastate rates to maintain parity, whether a rate increase or decrease.⁷

For intrastate access tariff purposes, all of the RLECs except Columbus and LaHarpe concur in Blue Valley's tariff. Blue Valley's intrastate switched access tariff essentially mirrors the NECA interstate switched tariff. Moundridge, Pioneer, Rural, Totah, Twin Valley, and Wamego concur with some of Blue Valley's tariff rates, but not all of the rates. For the rates with which they do not concur, separate company-specific rates are identified within Blue Valley's tariff.

To determine the change in an RLEC's intrastate access revenue, the difference between the company's interstate and intrastate access rates is determined and multiplied by the MOU. Consistent with K.S.A. 66-2005(c)(1), an RLEC's annual KUSF support is adjusted by an amount equal to the RLEC's access revenue increase or decrease.⁸

II. Federal Communications Commission (FCC) Reforms

In November 2011, the FCC determined all LECs would transition their interstate and intrastate terminating switched end office and certain transport access rates to bill-and-keep.⁹ In October 2020, the FCC began to reform the 8YY (toll-free) intercarrier compensation rates, with 8YY originating end office access charges being transitioned to bill-and-keep over a three-year period, 8YY originating transport and originating tandem switching rates transitioned to a single nationwide tandem switched transport access service rate of \$0.001 per minute, and Database query charges transitioning to a capped rate of \$.0002.¹⁰ Rates subject to the FCC's reform directives will not be adjusted in this Docket.

III. Impact of FCC Reforms on Kansas Biennial Requirement

K.S.A. 66-2005(c) requires an RLEC to adjust its intrastate switched access rates to parity with its interstate rates on March 1st of odd-numbered years, however, the FCC requires RLECs to adjust specified rates as of July 1 each year, including rates impacted by the FCC's rate reforms. The Commission, therefore, determined an RLEC is to adjust its intrastate access rates to parity on July 1st, concurrent with the FCC's effective date,¹¹ with an RLEC adjusting its intrastate rates subject to FCC reforms annually and intrastate rates not subject to the FCC reforms are to be adjusted to parity in odd-numbered years.¹²

⁷ Order, Docket No. 01-GIMT-081-GIT, Jan. 4, 2001.

⁸ Staff notes the RLECs' total KUSF support is limited to \$30 million by K.S.A. 66-2008(e)(3) and, therefore, an RLEC may not recover, on a dollar-for-dollar basis, its total access revenue adjustment.

⁹ Report and Order and Further Notice of Proposed Rulemaking, *Connect America Fund; A National Broadband Plan* for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Mobility Fund; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, (Nov. 2011 Order).

¹⁰ Report and Order, WC Docket No. 18-156, Rel. Oct. 9, 2020 (8YY Order).

¹¹ Id. *See also* Order Opening Docket; Requiring RLEC Data Filings; Procedural Schedule; Discovery Order; Protective Order; General Service Matters, Docket 15-GIMT-068-GIT, Aug. 26, 2014.

¹² Id. *See also* Docket 13-004, Order Adopting Commission Staff's Calculations and Recommendations Regarding Intrastate Switched Access Adjustments for Rural Local Exchange Carriers, Nov. 7, 2012; Order Requiring RLECs

Thus, the Commission is addressing the FCC's 8YY (toll-free) reforms in Docket No. 22-GIMT-454-GIT, with any rates subject to the FCC's reforms adjusted in that Docket.¹³ Thus, only the intrastate originating and terminating rates not subject to any FCC intercarrier compensation reforms will be adjusted in this Docket.

Pursuant to FCC directives, NECA's access tariff rates must be increased or reduced to reflect when an RLEC enters or exits the access pool.¹⁴ As a result, an RLEC concurring in NECA's tariff adjusts its intrastate rates to parity accordingly, however, an RLEC that does not participate in NECA's access pool cannot increase intrastate access rates if the intrastate rate is lower than the corresponding interstate rate.¹⁵ In addition, when an RLEC exits NECA's access pool and tariff, NECA calculates the RLEC's new, company-specific rates, which the company incorporates in its company-specific tariff.

K.S.A. 66-2005(c)(1) authorizes an RLEC to recover its intrastate access revenue changes from the KUSF "except such revenue recovered from another support mechanism" The Commission determined an RLEC must reduce its calculated intrastate access revenue reduction by the Access Recovery Charge (ARC) and Connect America Fund (CAF) support it receives for intrastate revenue recovery.¹⁶

ANALYSIS

Each RLEC's intrastate access rate adjustments and the corresponding KUSF support adjustment will be determined through this Docket; therefore, each RLEC will need to complete and file Attachment 1 in this Docket. RLECs will not adjust their 8YY or database query rates as a result of this Docket since they are subject to the FCC's 8YY access reforms. An RLEC participating in NECA's tariff will report any intrastate non-8YY end office and tandem rate adjustments to maintain parity with NECA's rates. An RLEC that does not participate in NECA's tariff should only reflect intrastate adjustments if its rates will be reduced to maintain parity.¹⁷

Staff needs to review each RLEC's reported data and contact a company if Staff has any questions about the reported data. Staff needs to calculate each RLEC's rate adjustments, the aggregate revenue impact for all of the RLECs and the corresponding KUSF support adjustments, and file Report and Recommendation in the Docket. The Commission-approved access rate, revenue, and KUSF support adjustments determined in this Docket will be included in Staff's annual KUSF assessment rate calculations to be filed in December 2022, and effective July 1, 2023. Staff, therefore, proposed the following Procedural Schedule:

to File Revised Intrastate Access Rate Data and Tariffs, Directing Staff to Submit an R&R With Updated Information, and Clarifying Tariff Revision Filing Deadlines and Effective Dates, April 10, 2013; Order Nunc Pro Tunc, April 17, 2013; and Order Approving RLECS' Intrastate Access Rates and Revenues and a Net, Aggregate Reduction to the Kansas Universal Service Fund, May 22, 2013.

¹³ Order Opening Docket; Requiring Compliance Tariff Filings Regarding 8YY Intercarrier Compensation Charges, Docket No. 22-GIMT-454-GIT, May 3, 2022.

¹⁴ March 2013 Order.

¹⁵ Sept. 2012 Order. See also 47 C.F.R. §51.909 and Order, CC Docket No. 01-92, rel. March 31, 2014, ¶7-9.

¹⁶ Order, Opening Docket to Determine Intrastate Access Revenues Due to Rural Local Exchange Carriers, Docket No. 16-GIMT-468-GIT, April 26, 2016.

¹⁷ Sept. 2012 Order.

Action
RLECs file Attachment 1 and interstate tariff in Docket, submit Excel copy to Staff
Staff Report & Recommendation and calculations filed
Parties' Responses to Staff R&R, calculation
Commission Order

RECOMMENDATION

Staff recommends the Commission open a docket to address the RLECs' intrastate switched access rate, revenue, and KUSF support adjustments, consistent with K.S.A. 66-2005(c) and the FCC's access reforms. Staff recommends the Commission place Attachment 1 on its website at: <u>https://kcc.ks.gov/telecommunications/service-provider-forms</u> so it may be downloaded by an RLEC. Each RLEC should be directed to file its completed Attachment 1 in the Docket and provide an Excel copy of its completed Attachment 1 to Staff at <u>b.seamans@kcc.ks.gov</u>, <u>s.reams@kcc.ks.gov</u>, and <u>h.bhagat@kcc.ks.gov</u> no later than August 12, 2022. Staff also recommends any RLEC with its own interstate tariff be directed to provide a copy of or, a link to, its July 1, 2022 interstate tariff to Staff concurrent with filing Attachment 1 in the Docket. Staff also recommends the Commission adopt Staff's proposed Procedural Schedule.

Summary of Intrastate Access Revenues and KUSF Impact Attachment 1 Page 1 of 4

TELEPHONE COMPANY:

Contact Name: Contact Phone No.: Contact EMail:

** Based on Volumes for Twelve Months July 1, 2021 - June 30, 2022 **

Information on this Page will automatically update when the Originating and Terminating Worksheets are completed.

	KUSF SUPPORT ADJUSTMENT DETERMINATION - ORIGINATIN	G ONLY	:
1	Annual IntraState Originating Access Revenues (p. 2, col. E, line 8)	\$	-
2	LESS: Intrastate Originating Revenues @ Interstate Rate (p. 2, col. F, line 8)	\$	-
3	Annual KUSF Support (Increase)/Reduction Adjustment (Line 2 less 1)	\$	-
4	Monthly KUSF Support Adjustment (Line 3/12)	\$	-

	KUSF SUPPORT ADJUSTMENT DETERMINATION - TERMINATIN	IG ONLY:	
5	Annual IntraState Terminating Access Revenues (p. 3, col. E, line 7)	\$	-
6	LESS: Intrastate Terminating Revenues @ Interstate Rate (p. 3, col. F, line 7)		
7	Total Annual KUSF Support (Increase)/Reduction Adjustment (Line 6 less 5)	\$	-
8	Less: ARC/ CAF ICC Recovery (p. 4, col. B, line 6)	\$	- 1
9	Net Annual KUSF Support (Increase)/Reduction (Line 8 less 7)	\$	-
10	Net Monthly Adjustment (Line 9/12)	\$	-

	TOTAL COMPANY/ KUSF SUP	PORT	IMPACT:		
			Annual		Monthly
11	KUSF Support Adjustment - Originating (Line 3)	\$		-	\$ -
12	KUSF Support Adjustment - Terminating (Line 9)	\$		-	\$ -
13	Total Company KUSF Support (Increase)/Reduction	\$		-	\$ _

Docket No. 22-GIMT-459-GIT Intrastate Originating Attachment 1-Orig Access Rates and Revenues and KUSF Impact Page 2 of 4 **TELEPHONE COMPANY:** 0 ** Based on Volumes for Twelve Months July 1, 2021 - June 30, 2022 ** **INTRASTATE - ORIGINATING MOU & RATES** If your Company has its own interstate tariff or has individual company interstate rates, provide a copy of your Company's Interstate Tariff or a link to the Interstate Tariff, to Staff. ANNUAL STATE RATE INTERSTATE CURRENT STATE EQUIVALENT STATE REV @ UNITS AS OF RATE AS OF REVENUE INTERSTATE **RATE ELEMENT** 6/30/2022 7/1/2022 7/1/2022 (B x C) RATES (B x D) (A) **(B)** (C) (D) (E) **(F)** 1 End Office Switching \$ \$ \$ \$ Info Surcharge (Per 100) 2 \$ \$ 3 LT Temination \$ \$ 4 LT Facility Per Min-Mile \$ \$ 5 Tandem Switching \$ \$ 6 Local Transport - Other \$ \$ 7 Other Switched Access \$ \$ 8 **Total Access Revenue** \$ \$ 9 Difference - Current State (E) Less Interstate (F) S (a) If your company exited the NECA pool after July 2020 and now has company-specific interstate rates, use the intrastate rate in effect prior to exiting the NECA pool. **CROSSCHECK TO BOOKED REVENUE** 10 BOOKED SWITCHED INTRASTATE ORIGINATING ACCESS REVENUE 11 CALCULATED ORIGINATING REVENUE (E9) 12 DIFFERENCE * * IF THE DIFFERENCE IS GREATER THAN \$5,000, PLEASE EXPLAIN BELOW. DESIDUAL VUSE SUDDODT IMPACT.

	RESIDUAL KUSF SUPPORT IMPACT:		
13 14	Intrastate Switched Originating Access Revenues (col. E, line 8) LESS: Intrastate Terminating Revenues @ Interstate Rate (col. F, line 8)	\$ \$	-
15	Annual KUSF Support (Increase)/Reduction Adjustment (14 less 13)	\$	-

OTHER LOCAL TRANSPORT DETAIL

Instructions: Provide supporting detail for Local Transport - Other, Revenue Changes. Complete this information or furnish comparable workpapers that show the LT calculations. The LT- Other may not automatically update to the revenues in Columns (E) & (F). Please post them from the lines below.

If your company has more usage sensitive rate elements, please insert rows and numbers as necessary.

		UNITS	AS OF	E INTERSTATE RATE AS OF		ENUE	STA	UIVALENT ATE REV @
	RATE ELEMENT	6/30/2022	7/1/2022	7/1/2022	(B :	K C)		TERSTATE FES (B x D)
	(A)	(B)	(C)	(D)	(]	E)		(F)
	Usage Sensitive Rate Elements							
16	Other Transport (List)				\$	-	\$	-
17					\$	-	\$	-
18					\$	-	\$	-
19	Total Local Transport - Other Revenues				\$	-	\$	-

Docket No. 22-GIMT-459-GIT

Intrastate Terminating Access Rates and Revenues and KUSF Impact Attachment 1-Term Page 3 of 4

TELEPHONE COMPANY:		0			
** Based	on Volumes for Twelve	e Months July 1,	2021 - June 30, 20	022 **	
	INTRASTATE - TER	MINATING MO	U & RATES		
Rate Increases Limited to NECA Pool or Co adjusted consistent with the FCC's Termina				tate or Intrastate Rate	in effect. Rates
	ANNUAL	STATE RATE	INTERSTATE	CURRENT STATE	EQUIVALENT
	UNITS	AS OF	RATE AS OF	REVENUE	STATE REV @
RATE ELEMENT	6/30/2022	7/1/2022	7/1/2022	(B x C)	INTERSTATE
					RATES (B x D)
(A)	(B)	(C)	(D)	(E)	(F)

		()	(2)	(0)	(~)	(2)	(-)
1	End Office Switching				\$	-	\$ -
2	LT Temination				\$	-	\$ -
3	LT Facility Per Min-Mile				\$	-	\$ -
4	Tandem Switching				\$	-	\$ -
5	Local Transport - Other				\$	-	\$ -
6	Other Switched Access				\$	-	\$ -
7	Total Access Revenue				\$	-	\$ -
8	Diff Curr State (F) Less	Interstate (F)					\$ _

8 Diff Curr State (E) Less Interstate (F)

CROSSCHECK TO BOOKED REVENUE

9 BOOKED REVENUE FOR SWITCHED INTRASTATE TERMINATING ACCESS

CALCULATED TERMINATING REVENUE (E6) 10

11 DIFFERENCE *

* IF THE DIFFERENCE IS GREATER THAN \$5,000, PLEASE EXPLAIN BELOW.

	RESIDUAL KUSF SUPPORT IMPACT:		
12 13	Annualized Switched Terminating Access Revenues (col. E, line 7) LESS: Interstate Terminating Revenues (col. F, line 7)	\$ \$	-
14	Total Annual KUSF Support (Increase)/ Reduction Adjustment - prior to Other Recovery Mechanism(s) (13 less 12)	\$	-

LOCAL TRANSPORT DETAIL

Instructions: Provide supporting detail to understand the Local Transport - Other Revenue Changes. Complete this information or furnish comparable workpapers that show the LT calculations. The LT- Other may not automatically update to the revenues in Columns (E) & (F). Please post them from the lines below.

If your company has more usage sensitive rate elements, please insert rows and numbers as necessary.

	RATE ELEMENT	ANNUAL UNITS 6/30/2022	STATE RATE AS OF 7/1/2022	INTERSTATE RATE AS OF 7/1/2022	CURRE REVEN (B x C	UE	STAT INTI	IVALENT FE REV @ ERSTATE ES (B x D)
	(A)	(B)	(C)	(D)	(E)			(F)
	Usage Sensitive Rate Elements							
15 16	Other Transport (List)				\$ \$	-	\$ \$	-
17	Total Local Transport - Other Revenues				\$	-	\$	-
18	Total Local Transport Revenues				\$	-	\$	-

Intrastate Terminating Access Revenue Recovered from Other Sources and Net KUSF Support

TELEPHONE COMPANY:

		(A)		B)	ON-KUSF SOUR	
 Gross KUSF Increase - Terminating Access Revenue (page 3, col F, line 8) Less: Revenue/Support from Other Recovery Mechanisms: CAF Support for Intrastate Access (Line 11) ARC Recovery for Intrastate Access (Line 16) Other Recovery for Intrastate Access (Line 17 - List below) Total Terminating Access Revenue Recovered from Other Sources (Line 3+4+5) Net Annual KUSF Support Increase (Line 1 less 6) 	\$#	-	\$ \$	-		
Intrastate Access Revenue Support from Other Mechanisms: Connect America Fund (CAF) Intrastate Access Recovery Support Intrastate Access Revenue Requirement Recovery	- \$	_				
Other:	\$	-				
Other: Total CAF Recovery Support (Lines 8+9+10)	\$ <u>\$</u>	-				

17 Other Recovery Support for Intrastate Access Recovery (List and provide amounts)

22-GIMT-549-GIT

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

electronic service on 06/16/2022

RICHARD BALDWIN, PRESIDENT HOME TELEPHONE COMPANY, INC. 211S MAIN ST BOX 8 GALVA, KS 67443 rbaldwin@hci-ks.com

CRAIG FREEMAN, GENERAL MANAGER WILSON TELEPHONE COMPANY, INC. 2504 AVE D PO BOX 190 WILSON, KS 67490-0190 craig@wilsoncommunications.co

RHONDA S GODDARD, CFO* RURAL TELEPHONE SERVICE COMPANY, INC. D/B/A Nex-Tech 145 N MAIN PO BOX 158 LENORA, KS 67645 rgoddard@nex-tech.com

FLOYD J JASINSKI, DIRECTOR - LEGISLATIVE & REGULATORY CONSOLIDATED COMMUNICATIONS OF MISSOURI COMPANY 114 VERNON STREET ROSEVILLE, CA 95678 floyd.jasinski@consolidated.com

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