

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of the Audit of Consumer
Cellular, Incorporated by the Kansas Universal
Service Fund (KUSF) Administrator Pursuant
to K.S.A. 2014 Supp. 66—2010(b) for KUSF
Operating Year 18, Fiscal Year March 2014-
February 2015.

Docket No. 16-CSCZ-035-KSF

**NOTICE OF TRAFFIC STUDY UTILIZED BY
CONSUMER CELLULAR, INCORPORATED**

Consumer Cellular, Incorporated, an Oregon corporation (“CCI”), by its undersigned counsel Thomas R. Rask, III of Kell, Alterman & Runstein, L.L.P., to notify the State Corporation Commission of the State of Kansas (the “Commission”) of the use of its traffic study data to allocate revenue to the intrastate jurisdiction for purposes of the Kansas Universal Service Fund (“KUSF”). For its Notice, CCI states as follows:

1. In its Order of June 24, 2012, in Docket No. 12-GIMT-068-GIT, Commission requires both wireless and VoIP providers to submit a pleading to the Commission if the provider elects to use an allocation methodology other than the Safe Harbor. The Order further provides that the pleading shall be accompanied by an affidavit signed by a company official to verify that the company uses the same methodology for federal USF purposes. CCI has attached an affidavit of Jill Leonetti, Treasurer of CCI, attached hereto as Attachment 1. In compliance with the Commission Order, the affidavit verifies that CCI will use the traffic

study methodology for both KUSF and federal USF purposes. CCI commits to inform the Commission of changes in its KUSF methodology on a timely basis.

2. As explained in more detail in Ms. Leonetti's affidavit, CCI utilizes a company-specific traffic report that relies on actual minutes of use ("MOU") data for both Federal Universal Service Fund ("FUSF") and KUSF purposes, using the inverse of the federal percentage derived from the report to determine the appropriate percentage for KUSF reporting and remittance purposes. CCI began using this methodology in 2014 and continued to do so in 2015 and 2016.

3. Please direct all correspondence, pleadings and orders in this proceeding to the following:

Thomas R. Rask, III
Kell, Alterman & Runstein, L.L.P.
520 SW Yamhill St., Suite 600
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Telephone: (503) 222-3531
trask@kelrun.com

4. CCI attaches the Percent Interstate Usage Study for Kansas.

WHEREFORE, CCI respectfully requests that the Commission accept CCI's use of its traffic study data for KU&SF reporting purposes as described in the attached Affidavit of Jill Leonetti.

Respectfully submitted,

KELL, ALTERMAN & RUNSTEIN, L.L.P.



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Of Attorneys for Consumer Cellular,
Incorporated

VERIFICATION

STATE OF OREGON, County of Multnomah) ss:

I, Thomas R. Rask, III, being first duly sworn, depose and say:

That I am an attorney for Consumer Cellular, Incorporated, that I have read the above and foregoing document, and upon information and belief state that the matters therein appearing are true and correct.



A handwritten signature in blue ink, appearing to be "TR Rask", written over a horizontal line.

Thomas R. Rask, III

SIGNED AND SWORN TO before me this 20 day of October, 2016 by Thomas R.

Rask, III.

A handwritten signature in blue ink, appearing to be "Kallistra Anne Wiggins", written over a horizontal line.

Notary Public for Oregon
My commission expires: 5/13/19

ATTACHMENT 1

AFFIDAVIT OF JILL LEONETTI

STATE OF OREGON, County of Washington) ss:

I, Jill Leonetti, being first duly sworn, depose and say:

1. I am the Treasurer of Consumer Cellular, Incorporated ("CCI"). My business address is 12447 SW 69th Ave., Portland, OR 97223-8517. In this capacity, I am responsible for, *inter alia*, reporting and remittances relating to the Kansas Universal Service Fund ("KUSF") for CCI.

2. CCI's allocation methodology for KUSF purposes is based on a company-specific traffic report. CCI's company-specific traffic report is used for both Federal Universal Service Fund ("FUSF") and KUSF purposes. The traffic report is based on actual call origination and termination minutes of use ("MOU") data obtained from CCI's call detail records, which MOU are classified as interstate, intrastate or international. CCI derives the percentage of interstate/international MOU by dividing the number of interstate and international MOU into total MOU. This percentage is accepted by the Federal Communications Commission for FUSF reporting purposes.


3. CCI uses the inverse of the federal percentage derived therewith to calculate the percentage for KUSF reporting purposes ($100\% - \text{FUSF \%} = \text{KUSF \%}$). This approach provides a fair and balanced symmetry between federal and state USF programs, and complies with the Commission's directive that carriers use the same allocation methodology for FUSF and KUSF purposes.

4. CCI applies the KUSF percentage to its Kansas retail revenues to determine the amount it remits to the KUSF.

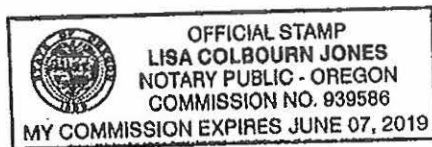
5. CCI has used, and continues to use, the same methodology described herein at all times since 2014, 2015, and 2016.

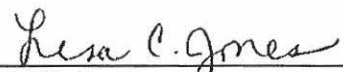
6. The intrastate factors used by CCI for KUSF purposes for the KUSF reporting period from 2014 through the present are set forth on the confidential and proprietary attachment to my affidavit.

7. Because the intrastate factors are derived from proprietary and confidential trade secret actual MOU data, the attachment to my affidavit is being filed under seal.


Jill Leonetti

SIGNED AND SWORN TO before me this 19 day of October, 2016 by Jill Leonetti.




Notary Public for Oregon
My commission expires: June 7, 2019

SERVICE LIST

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