



**GVNW CONSULTING, INC.**

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October 27, 2016

Ms. Amy L. Green  
Secretary to the Commission  
Kansas Corporation Commission  
1500 SW Arrowhead Road  
Topeka, KS 66604-4027

RE: Docket No. 16-TWCZ-029-KSF  
*In the Matter of the Audit of TWC Digital Phone LLC 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.*

Dear Ms. Green:

On July 12, 2016, the Kansas Corporation Commission (KCC or Commission) issued an Order adopting GVNW Consulting, Inc.'s (GVNW) Audit Report and directed TWC Digital Phone LLC (TWC Digital or Company) to: 1) to submit Quarterly True-ups within forty-five (45) days of the end of each KUSF quarter; and 2) file within thirty (30) days from the date of the Order, an affidavit executed by an officer of the company attesting to and explaining TWC Digital's inability to identify revenues related to discounts.

On August 25, 2016, TWC Digital submitted a notarized affidavit attesting that the Company cannot reasonably identify revenue related to discounts because the revenues that are booked to the general ledger are net revenues. TWC Digital affirmed that the Company does not have a reasonable method of reporting based on gross revenues.

TWC Digital, on October 19, 2016, filed a supplemental officer affidavit that noted the Company does not track gross revenue in its general ledger, but for compliance purposes, it calculated the estimated gross revenues related to discounts by using certain bill presentment information for the period March 2014 - September 2015. TWC Digital provided True-ups showing an additional \$18,688.74 owed to the KUSF. Based on the review of the information provided to GVNW and Staff, the additional assessment owed to the KUSF is a reasonable approximation for the purposes of this audit docket.

On October 27 15, 2016, 2016, TWC Digital paid the additional \$12,789.58 in assessments to the KUSF. The Company elected to net a \$5,899.16 credit to offset the amount owed to the KUSF. Accordingly, GVNW recommends that Docket No. 16-TWCZ-029-KSF be closed.

Sincerely,

A handwritten signature in black ink, appearing to read "David Winter", is written over a horizontal line.

David Winter  
Senior Consultant

cc: Sandy Reams

## CERTIFICATE OF SERVICE

I hereby certify that on this 27<sup>th</sup> day of October, 2016, the above Kansas Universal Service Fund Compliance Report was e-filed with the Kansas Corporation Commission and a copy was sent via electronic mail and/or U.S. Mail to:


Kansas Corporation Commission  
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David G. Winter