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July 11, 2018

Lynn M. Retz, Secretary
Kansas Corporation Commission
1500 Arrowhead Rd
Topeka, KS 66604

RE: Docket 18-GIMT-394-GIT
Section 254(e) certification
Revised Attachment 2

Dear Ms. Retz:

On behalf of S&A Telephone Company, Inc., attached please find for filing in Docket No. 18-GIMT-394-GIT the 254(e) certification REVISED Attachment 2 required by the Commission to be filed in this docket by July 2, 2018.

In this filing, Attachment 2a, lines 240, 245, and 255 as well as the entirety of Attachment 4 has been marked as confidential; this information is confidential commercial information and, as such, its disclosure to any person other than the company, the Commission, and Staff is prohibited by K.S.A. 66-1220a. The Commission has not issued a protective order in this docket. As always, if you have any questions, please do not hesitate to contact me.

Cordially yours,



Colleen R. Jamison

cc: Janet Bathurst

Encl.

Company Name: S&A Telephone CompanyDATA YEAR: 2017

	LINE	REGULATED AMOUNT
WORKING LOOPS		
1. Total Loops	(060)	559
2. Category 1.3 Loops	(070)	556
INVESTMENT		
1. Plant Accounts		
a. Acct 2001	(160) \$	8,463,578
2. Selected Plant Accounts		
a. Acct 2210	(230)	226,166
b. Acct 2220	(235)	0
c. Acct 2230	(240)	
d. Total Central Office Equip	(245) \$	1,984,448
e. Circuit Equip Cat 4.13	(250)	
f. Acct 2410	(255)	
AMORTIZABLE TANGIBLE ASSETS		
Acct. 2680 Tot Assets	(800)	0
Acct. 2680 (2230) COE Trans	(805)	0
Acct. 2680 (Cat. 4.13) COE Trans	(810)	0
Acct. 2680 (2410) Total CWF	(815)	0
Acct. 2680 (2410) CWF-Cat 1	(820)	0
Acct. 6560 (2680) Dep & Amort	(830)	0
PART 36 - COST STUDY DATA		
1. Cost Study Avg C&WF Acct 2410	(700)	6,034,225 Year End Balances
2. Cost Study Avg C&WF Cat 1	(710)	5,508,249 Year End Balances
3. C&WF CAT 1 Factor		0.912835
4. COE CAT 4.13 Factor		0.456012
5. Switching Factor		1.000000

Company Name: S&A Telephone Company

DATA YEAR: 2017

For the Following Lines, Use Gross Additions for Plant and Annual Amounts
for Expenses for the Test Year

INVESTMENT, EXPENSE AND TAXES	LINE	REGULATED AMOUNT	
1. Selected Plant Accounts			
a. Acct 2230	(240)		CONFIDENTIAL & PROPRIETARY
b. Total Central Office Equip	(245)		CONFIDENTIAL & PROPRIETARY
c. Acct 2410 (Total)	(255)		CONFIDENTIAL & PROPRIETARY
2. Expenses - Plant Specific Exp			
a. Acct 6110	(335)	0	
b. Acct 6110 (benefits)	(340)	0	
c. Acct 6110 (rents)	(345)	0	
d. Acct 6120	(350)	33,670	
e. Acct 6120 (benefits)	(355)	679	
f. Acct 6120 (rents)	(360)	0	
g. Acct 6210	(365)	17,343	
h. Acct 6210 (benefits)	(370)	3,394	
i. Acct 6210 (rents)	(375)	0	
j. Acct 6220	(380)	0	
k. Acct 6220 (benefits)	(385)	0	
l. Acct 6220 (rents)	(390)	0	
m. Acct 6230	(395)	132,689	
n. Acct 6230 (benefits)	(400)	18,316	
o. Acct 6230 (rents)	(405)	0	
p. (sum of lines 365+380+395)	(410)	150,032	
q. Acct 6410	(430)	86,234	
r. Acct 6410 (benefits)	(435)	24,487	
s. Acct 6410 (rents)	(440)	450	
t. Total Expenses Accts. 6110 - 6410	(445)	\$ 269,936	
3. Expenses - Plant Non Specific Exp			
a. Acct 6530	(450)	143,779	
b. Acct 6530 (benefits)	(455)	39,260	
4. Depreciation & Amortization Exp			
a. Acct 6560 (#2210)	(510)	25,627	
b. Acct 6560 (#2220)	(515)	0	
c. Acct 6560 (#2230)	(520)	229,849	
d. Acct 6560 (#2210-2230)	(525)	\$ 255,476	
e. Acct 6560 (#2410)	(530)	126,260	
5. Corporate Operating Expenses			
a. Acct 6710	(535)	71,980	
b. Acct 6710 (benefits)	(540)	0	
c. Acct 6720	(550)	325,901	
d. Acct 6720 (benefits)	(555)	25,892	
e. Total Corporate Operating Expense (line 535+550)	(565)	\$ 397,881	
6. Other Expenses and Revenues			
a. Benefits Portion	(600)	117,742	
b. Rents Portion	(610)	450	
Sum of All Expenses (Excluding Depreciation)		\$ 811,596	
7. Taxes			
a. Acct 7200	(650)	294,053	

Company Name: S&A Telephone Company

DATA YEAR: 2017

Test for use of FUSF & KUSF

CAPITAL:

1. Category 1 C&WF 46,718

2. Category 4.13 COE and Switching 36,587

MAINTENANCE:

3. CWF - MAINT. EXP. 55,954

4. COE - MAINT. SW 13,949

5. COE - MAINT-OP SYSTEM -

6. COE - MAINT. - TRANS. 58,864

7. CWF - NETWORK SUPPORT 0

8. COE - NETWORK SUPPORT 0

9. CWF GENERAL SUPPORT 21,471

10. COE GENERAL SUPPORT 4,409

20. CWF NETWORK OPERATION 68,023

21. COE NETWORK OPERATION 13,968

22. CWF EXEC. & PLANNING 46,846

23. COE EXEC. & PLANNING 9,620

24. CWF GENERAL ADMIN. 195,251

25. COE GENERAL ADMIN. 40,094

26. CWF OPERATING TAXES 191,375

27. COE OPERATING TAXES 39,298

28. CWF BENEFITS - TTL OPER EXP 76,629

29. COE BENEFITS - TTL OPER EXP 15,735

30. CWF RENTS - TTL OPER EXP 293

31. COE RENTS - TTL OPER EXP 60

Company Name: <u>S&A Telephone Company</u>	
DATA YEAR: <u>2017</u>	
A. Total Cash Expenditures Associated with USF	935,145
B. Certified Federal USF Receipts:	
B1. High Cost Loop Support / Frozen High Cost Support	
B2. Safety Net Support	
B3. Broadband Loop Support *(see note)	
B4. Safety Valve Support for acquired Exch.	
B5. Connect America Cost Model	
B6. Alternative Connect America Model *(see note)	
B7. CAF ICC (§§ 51.915, 51.917, 51.304) *(see note)	
B8. Total Certified Federal USF Receipts	833,750 68,034 <hr style="width: 50%; margin: 0;"/> \$ 901,784
C. KUSF Receipts	346,184
D. Total FUSF and KUSF Receipts	1,247,968
E. Do Expenditures Exceed FUSF Receipts?	Yes
Amount Expenditures Exceed Certified FUSF (negative number means FUSF exceeds Expenditures)	\$ 33,360 [A - B8]
F. Do Expenditures Exceed FUSF & KUSF Receipts?	No
Amount Expenditures Exceed Certified FUSF and/or KUSF (negative number means FUSF/KUSF exceeds Expenditures)	(312,823) [A - D]
G. Total FUSF Receipts Less CAF BLS/ICC & ACAM **	\$ -
E. Do Expenditures Exceed FUSF Receipts? **	Yes
Amount Expenditures Exceed Certified FUSF ** (negative number means FUSF exceeds Expenditures)	\$ 935,145 [A - G]
F. Do Expenditures Exceed FUSF & KUSF Receipts?	Yes
Amount Expenditures Exceed Certified FUSF and/or KUSF (negative number means FUSF/KUSF exceeds Expenditures)	588,961 [A - C - G]
Please provide the following information:	
Contact: <u>Janet Bathurst</u>	
Title: <u>General Manager & Vice President</u>	
Phone No.: <u>620-528-3655</u>	
E-Mail: <u>jbathurst@satelephone.com</u>	
<p><small>* Note: The addition of these lines, Connect America Fund Broadband Loop Support and Connect America Fund Inter-carrier Compensation, results in an inappropriate comparison of total USF support to the "Cash Expenditures Associated with USF". The calculation of Cash Expenditures Associated with USF is substantially based on the FCC's HCLS algorithm and does not take into account the costs included in or the method for determination of CAF BLS or CAF ICC. Thus, the comparisons reflected above on Lines E and F are invalid. Changes to the form are reflected with the additional tests shown on lines G through F.</small></p> <p><small>In addition, the Alternative Connect America Cost Model (ACAM) support reported on line B6 is determined via an entirely different calculation and has little or no correlation to the formula used to derive Cash Expenditures Associated with USF and should likewise be removed from the support comparisons shown above. Changes to the form are reflected with the additional tests shown on lines G through F.</small></p> <p><small>** Formula added or revised to reflect *Note above</small></p>	