

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

Before Commissioners: Andrew J. French, Chairperson
 Dwight D. Keen
 Annie Kuether

In the Matter of Rural Telephone Service)
Company, Inc. Filing Tariff Revisions to)
Update Removal of Video Services)
Bundled Pricing and Internet Bundled)
Pricing, Remove EAS Additional)
Charge, Increased Residential and)
Business Rates and Other Modifications)
to its Tariff.)

Docket No. 25-RRLT-282-TAR

ORDER APPROVING REVISED TARIFF

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (“Commission”) for consideration and determination. Having examined its files and records, the Commission finds and concludes:

1. On January 17, 2024, Rural Telephone Service Company, Inc. (“Rural Telephone” or “Company”) filed an Application requesting to make tariff revisions in its Local Exchange Service Tariff to remove its Video Service Bundled Pricing and its Internet Bundled Pricing and removing an Extended Area Service (“EAS”) charge. The Company is also increasing Residential and Business Rates for On Premise Labor Charges and increasing rates for Additional Labor Periods and Rates.

2. On January 24, 2025, the Rural Telephone filed a revised Application removing a tariff sheet that was directed to be filed in Docket No. 25-GIMT-141-GIT pursuant to a Commission Order issued on January 16, 2025.

3. The Commission derives its authority to review Local Exchange Carrier tariffs from K.S.A. 66-117(d), which states in part:

...(d) Except as provided in subsection (c), no change shall be made in any rate, toll, charge, classification or schedule of charges or joint rates, or in any rule or regulation or practice pertaining to the service or rates of any such public utility or common carrier, without the consent of the commission.

K.S.A. 66-1,190 provides in part that telecommunications public utilities doing business in Kansas shall:

...publish and file with the commission copies of all schedules of rates, joint rates, tolls charges, classifications and divisions of rates affecting Kansas traffic, either state or interstate...and...the commission shall have power to prescribe reasonable rules and regulations regarding the form and filing of all schedules, tariffs and classifications of all rates, joint rates, tolls and charges and all rules and regulations of such telecommunications public utilities...

The Commission must review rates and terms for jurisdictional telecommunications services to ensure they are “just and reasonable” pursuant to K.S.A. 66-1,189. Further, K.S.A. 66-1,189 requires the Commission to ensure that all classifications, rules and regulations regarding the services are not unduly discriminatory or preferential.

4. On February 6, 2025, the Commission Staff (“Staff”) submitted its Report and Recommendation, attached hereto and made a part hereof, recommending the Commission grant Rural Telephone’s Application and approve the company’s proposed tariff, effective March 1, 2025, as requested by the company.

5. Staff reviewed Rural Telephone’s Application and stated the proposed revisions to Rural Telephone’s tariff are reasonable. Staff recommended approval of Rural Telephone’s Application.

6. The Commission adopts Staff’s findings, analysis and recommendations as stated in its February 6, 2025, Report and Recommendation and concludes that Rural Telephone’s Application should be granted, and the company’s revised tariff approved.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Rural Telephone Service Company, Inc.'s Application is hereby granted, and its revised Local Exchange Tariff is hereby approved and shall become effective March 1, 2025.

B. 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).¹

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 02/11/2025



Abigail D. Emery
Secretary to the Commission

AAL

¹ K.S.A. 66-1118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

REPORT AND RECOMMENDATION
UTILITIES DIVISION

TO: Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Annie Kuether, Commissioner

FROM: Drennan Dolsky, Telecommunications Analyst
Steve Garrett, Deputy Chief of Telecommunications
Jeff McClanahan, Director of Utilities

DATE: February 6, 2025

SUBJECT: Docket No. 25-RRLT-282-TAR

In the Matter of Rural Telephone Service Company, Inc. Filing Tariff Revisions to Update Removal of Video Services Bundled Pricing and Internet Bundled Pricing, Remove EAS Additional Charge, Increased Residential and Business Rates and Other Modifications to its Tariff.

EXECUTIVE SUMMARY:

On January 17, 2025, Rural Telephone Service Company, Inc. (Rural Telephone) filed an Application¹ with the Kansas Corporation Commission (Commission) requesting permission to remove its Video Service Bundled Pricing and its Internet Bundled Pricing and removing an Extended Area Service (EAS) charge. The Company is also increasing Residential and Business Rates for On Premise Labor Charges and increasing rates for Additional Labor Periods and Rates. The Tariff pages impacted by this revision include the following:

- Section 1, 1st Revised Sheet 1
- Section 1, Original Sheet 2
- Section 1, 9th Revised Sheet 7
- Section 1, 2nd Revised Sheet 8
- Section 2, 7th Revised Sheet 5
- Section 5, 1st Revised Sheet 6

On January 24, 2025, Staff contacted Rural Telephone requesting an amended Application be filed removing Section 1, Sheet 6 where changes to the Affordable Local Serviced Rates are to be filed in Docket No. 25-GIMT-141-GIT (25-141 Docket) pursuant to Commission Order.²

¹ Tariff for Rural Telephone Service Company, Inc. (Jan. 17, 2025) (Application).

² Docket No. 25-GIMT-141-GIT, January 16, 2025, *Order Adopting KUSF Year 29 Assessment Rate and Affordable Rates*, Ordering ¶ C.

Staff recommends approval of this Application. Due to a Suspension Order, The Commission action date is September 15, 2025.

BACKGROUND:

The Commission derives its authority to review Local Exchange Carrier tariffs from K.S.A. 66-117(d), which states in part:

(d) Except as provided in subsection (c), no change shall be made in any rate, toll, charge, classification or schedule of charges or joint rates, or in any rule or regulation or practice pertaining to the service or rates of any such public utility or common carrier, without the consent of the commission.

Pursuant to K.S.A. 66-1,189, the Commission must review rates and terms for every telecommunication public utility to ensure they are “just and reasonable” and that the classifications, rules, and regulations regarding the services are not unduly discriminatory or preferential.

Additionally, K.S.A. 66-1,190 requires every public utility doing business in Kansas over which the Commission has control to publish and file with the Commission copies of all schedules of rates, joint rates, tolls, charges, classifications and divisions of rates affecting Kansas traffic, either state or interstate. The Commission has the power to prescribe reasonable rules and regulations regarding the form and filing of all schedules, tariffs and classifications of all rates, joint rates, tolls and charges, and all rules and regulations of such telecommunications public utilities as the Commission determines reasonable and appropriate.

Commission Staff reserves the right to request an audit consistent with Docket No. 04-GIMT-1080-GIT.

ANALYSIS:

Rural Telephone requests approval to increase the Residential & Business On Premise Labor Charge and Additional Labor Periods and Rates in Section 2 & 5, respectfully. The EAS Service will remain in place but will be decreased for existing customers. The Company’s yearly revenue change from the rate adjustments is approximately (\$5,150).

- Section 2: Residential & Business On Premise Labor Charges.
 - Basic time, normally scheduled working hours, per technician, per half hour increment from \$65 to \$75.
 - Overtime, outside of normally scheduled working hours, per technician, per half hour increment from \$97.50 to \$112.50.
 - Premium time, outside of scheduled workday, per technician, per half hour increment from \$130 to \$150.
- Section 5: Additional Labor Periods and Rates.
 - Basic time, normally scheduled working hours, per technician, per half hour increment from \$55 to \$75.

- Overtime, outside of normally scheduled working hours, per technician, per half hour increment from \$82.50 to \$112.50.
- Premium time, outside of scheduled workday, per technician, per half hour increment from \$110 to \$150.

Based on Rural Telephone's representation in an email dated February 4, 2025, the rate increases are due to increasing labor costs. The company had prior increases in its Residential & Business On Premise Labor Charges in Docket No. 22-RRLT-233-TAR Commission Order dated Dec. 23, 2021, and before that in Docket No. 12-RRLT-868-TAR Commission Order dated June 29, 2012. Additional Labor Periods and Rates were increased last in Docket No. 16-RRLT-261-TAR Commission Order dated Dec 22, 2015, and before that in Docket No. 10-RRLT-514-TAR Commission Order dated February 26, 2010.

Based on Rural Telephone's representation in an email dated February 5, 2025, no customer notice was necessary for the increases in Sections 2 & 5 as the rates being increased are non-recurring charges that had 52 occurrences in 2024 for an average of 1 hour. The EAS Services are still in place, just being decreased from \$0.50 to \$0.00 per month. Video and Internet Bundle pricing had no current customers.

Staff believes the decrease to the EAS Service and the increases in Sections 2 & 5 of this Application for Rural Telephone due to labor factors in the telecom market are reasonable.

RECOMMENDATION:

Staff recommends the Commission approve Rural Telephone's revised tariff to remove Video Service Bundled Pricing and Internet Bundled Pricing and an EAS charge. Additionally, to increase the Residential and Business Rates for On Premise Labor Charges and increasing rates for Additional Labor Periods and Rates with a tariff effective date of March 1, 2025, as requested by the company.

CERTIFICATE OF SERVICE

25-RRLT-282-TAR

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of electronic service on 02/11/2025.

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

MADISEN HANE, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
madisen.hane@ks.gov

AHSAN LATIF, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
ahsan.latif@ks.gov

/S/ KCC Docket Room

KCC Docket Room