

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

In the Matter of USCOC of Nebraska/Kansas, )  
LLC Petition for Relinquishment of its )  
Designations as an Eligible ) Docket No. 25-USCZ-367-ETC  
Telecommunications Carrier Under 47 U.S.C. )  
Section 214(e)(2). )

**NOTICE OF FILING OF STAFF'S REPORT AND RECOMMENDATION**

The Staff of the Kansas Corporation Commission (Staff and Commission, respectively) hereby files its Report and Recommendation dated June 30, 2025, in this docket. Staff states that it is satisfied that USCOC of Nebraska/Kansas, LLC (USCOC or UScellular) has met the requirements for relinquishment of the company's designation as an Eligible Telecommunications Carrier (ETC) as identified in 47 U.S.C. § 214(e)(4) and recommends the Commission issue an Order granting USCOC's request to relinquish its ETC designation for Federal Universal Service Fund (FUSF) purposes in all its areas and cease providing telecommunications in Kansas, dependent upon:

- 1) USCOC fulfilling its obligations to the Commission and Vantage Point Solutions (VPS);
- 2) the approval & Closing of the T-Mobile acquisition; and
- 3) filed notice of the effective date of its ETC relinquishment in the instant docket.

An order would not be issued until confirmation of these three requirements has been provided to Staff.

WHEREFORE, Staff respectfully requests that the Commission issue an order adopting its recommendation.

Respectfully Submitted,

*/s/ Ahsan Latif*

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

Laura Kelly, Governor

## **REPORT AND RECOMMENDATION UTILITIES DIVISION**

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

**FROM:** Jorge Soto-Gomez, Telecommunications Analyst  
Steve Garrett, Deputy Chief of Telecommunications  
Janet Buchanan, Deputy Director of Utilities  
Justin Grady, Director of Utilities

**DATE:** June 30, 2025

**SUBJECT:** Docket No. 25-USCZ-367-ETC

In the Matter of USCOC of Nebraska/Kansas, LLC Petition for Relinquishment of its Designations as an Eligible Telecommunications Carrier Under 47 U.S.C. Section 214(e)(2).

### **EXECUTIVE SUMMARY:**

On March 31, 2025, USCOC of Nebraska/Kansas, LLC (USCOC or UScellular)<sup>1</sup> filed an application with the Kansas Corporation Commission (Commission) requesting approval to relinquish the company's designation as an Eligible Telecommunications Carrier (ETC) and federal universal support in Kansas. USCOC indicates the decision is due to the anticipated acquisition of its wireless business operations by T-Mobile US, Inc. (T-Mobile). The acquisition will be completed pending receipt of all requisite regulatory approvals ("Closing"). USCOC requests the approval of its relinquishment to be contingent upon and concurrent with the Closing.<sup>2</sup> On April 29, 2025, T-Mobile filed a notice in support of USCOC's petition to relinquish its ETC status. Commission Staff (Staff) recommends the Commission issue an Order approving USCOC's request to relinquish its ETC designation for FUSF purposes in all its areas and cease providing telecommunications in Kansas.

### **BACKGROUND:**

Lifeline service is among the services supported through the Federal Universal Service Fund (FUSF) and the Kansas Universal Service Fund (KUSF), which were established through the Federal and Kansas Telecommunication Acts respectively. The Lifeline program assists low-income consumers<sup>3</sup> by providing a discount on their monthly local telephone or internet charges

<sup>1</sup> Unites States Cellular Operating Company

<sup>2</sup> See Application, p. 2.

<sup>3</sup> As defined in 47 C.F.R. § 54.409.

so that the telephone service is more affordable. Currently, USCOC has 42 Lifeline subscribers in Kansas.<sup>4</sup>

On November 4, 2005, in Docket No. 06-USCZ-519-ETC, USCOC filed an application requesting designation as an ETC in certain territories in the state of Kansas for the purpose of receiving FUSF support. USCOC requested transfer of the ETC designation held by GCC License Corporation (“Western Wireless”) to USCOC. Staff treated the application as a new ETC application rather than as a transfer.<sup>5</sup> On February 10, 2006, the Commission issued an Order granting in part USCOC’s application for ETC designation for FUSF support (Order). On March 3, 2006, USCOC filed a Petition for Reconsideration of the USCOC Order. USCOC requested reconsideration of the Commission's decision to deny its ETC designation for the three exchanges of Americus, Cedar Point and Saffordville, then served by former Bluestem Telephone Company, Inc. (Bluestem Telephone)<sup>6</sup>. On March 30, 2006, in an Order on Reconsideration, the Commission also granted USCOC federal ETC designation in the three exchanges. Today, the three aforementioned exchanges are served by Consolidated Communications of Kansas Company, LLC (Consolidated-Kansas).<sup>7</sup>

The Commission designated USCOC as an ETC for federal support purposes in the following Rural Incumbent Local Exchange Carrier (RLEC) study areas of: Blue Valley Telecommunications, Inc. (Blue Valley)<sup>8</sup>, Council Grove Telephone Company (Council Grove)<sup>9</sup>, H&B Communications, Inc. (H&B), Home Telephone Company, Inc. (Home), LaHarpe Telephone Company, Inc. (LaHarpe), Madison Telephone, LLC (Madison)<sup>10</sup>, MoKan Dial, Inc. (MoKan), Moundridge Telephone Company (Moundridge), Mutual Telephone Company (Mutual), Peoples Telecommunications, LLC (Peoples)<sup>11</sup>, Tri-County Telephone Association, Inc. (Tri-County)<sup>12</sup>, Twin Valley Telephone, Inc. (Twin Valley), Wamego Telecommunications Company, Inc. (Wamego)<sup>13</sup>, Wilson Telephone Company, Inc. (Wilson) and Zenda Telephone Company, Inc. (Zenda). Lastly, the Commission approved designation for the Americus, Cedar Point, & Saffordville exchanges of Consolidated-Kansas.

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<sup>4</sup> See Application’s Footnote 14, p. 5.

<sup>5</sup> Staff believed the Commission had to confirm that USCOC would be committed and able to provide the supported universal services to Kansas customers.

<sup>6</sup> *Order Cancelling Bluestem’s Certificate and Enlarging Sunflower’s Certificate to Include the Cedar Point, Saffordville, and Americus Exchanges*, Joint Docket 19-BSTT-172-CCS, 11/27/2018; Joint Docket 19-SFLT-189-COC, 11/27/2018.

<sup>7</sup> f/k/a Consolidated Communications of Kansas Company [19-SFLT-197-CCN, 12/20/2018]; f/k/a Sunflower Telephone Company, Inc.

<sup>8</sup> f/k/a Blue Valley Telephone Company, Inc., 04-BLVT-998-CCN [LEC], 06/07/2004; Docket 04-BLVC-997-CCN [IXC], 06/07/2004.

<sup>9</sup> *Order Cancelling Council Grove Telephone Company’s Certificates of Convenience and Order Amending Tri-County Telephone Association, Inc.’s Certificated Area to Include the Council Grove Exchange*, Joint Docket 11-CGTT-370-CCS, 04/28/2011; Joint Docket 11-TRCT-371-COC, 04/28/2011.

<sup>10</sup> f/k/a Madison Telephone Company, Inc., Docket 01-MDTT-888-CCN [LEC], 05/08/2001; 01-MDTT-889-CCN [IXC], 05/08/2001.

<sup>11</sup> f/k/a Peoples Telecommunications, Inc., Docket 02-PLTT-057-CCN, 09/07/2001; Docket 02-PLTC-056-CCN, 09/07/2001; f/k/a Peoples Mutual Telephone Company, Docket 01-PTCT-475-CCN, 12/26/2000.

<sup>12</sup> See Footnote 8 of this memo regarding Council Grove. Council Grove merged into Tri-County.

<sup>13</sup> f/k/a Wamego Telephone Company Inc., Docket 00-WTCT-155-CCN, 10/08/1999.

The Commission also designated USCOC as an ETC for federal support purposes in the following Brightspeed Companies of Kansas (Brightspeed)<sup>14</sup> f/k/a Sprint/United Telephone Companies [ILEC] wire centers: Abbyville, Alma, Alta Vista, Arlington, Aurora, Belle Plaine, Blue Mound, Bucyrus, Buhler, Burr Oak, Burrton, Burlington, Centropolis, Clifton, Clyde, Conway, Courtland, Delphos, Durham, Esbon, Eskridge, Fontana, Garnett, Glasco, Greeley, Green, Gridley, Haven, Hesston, Hillsboro, Inman, Ionia, Kincaid, Lane, Langdon, Lehigh, Leonardville, Leroy, Longford, Mapleton, Milford, Moran, Morganville, Mound City, Murdock, Neosho Falls, Olsburg, Onaga, Osawatomie, Oxford, Parker, Partridge, Piqua, Pomona, Pretty Prairie, Princeton, Quincy, Republic, Richmond, Riley, St. Mary's, Sterling, Sylvia, Toronto, Wakefield, Walton, Waverly, Webber, Westmoreland, Westphalia, and Windom.

An ETC designation was approved for the following wire centers that were served by Sprint/United Telephone Companies in 2006 that are now served by the company Twin Valley:

Aurora, Clifton, Clyde, Delphos, Glasco, Green, Leonardville, Longford, Milford, Morganville, Olsburg, Riley, Wakefield.

An ETC designation was approved for the following wire centers that were served by Sprint/United Telephone Companies in 2006 that are now served by the company Rural Telephone Service Company, Inc. d/b/a Nex-Tech (Rural Telephone):

Burr Oak, Courtland, Esbon, Ionia, Republic, Webber.

Finally, an ETC designation was approved for the following wire centers that were served by Sprint/United Telephone Companies in 2006 that are now served by the company Blue Valley:

Onaga and Westmoreland.

In addition, the Commission also designated USCOC as an ETC for federal support purposes in the following non-rural telephone company service areas of Southwestern Bell Telephone Company, LLC d/b/a AT&T Kansas (AT&T)<sup>15</sup> of: Andale, Arkansas City, Attica, Belleville, Beloit, Blue Rapids, Burns, Canton, Chapman, Chase, Cheney, Clay Center, Concordia, Cottonwood Falls, Ellsworth, Emporia, Enterprise, Eureka, Florence, Fort Scott, Frankfort, Garden Plain, Gypsum, Halstead, Hamilton, Hanover, Harper, Hartford, Herrington, Howard, Humboldt, Hutchinson, Iola, Jewell, Kingman, Lincoln, Lindsborg, Lyons, Manhattan, Mankato, Marion, Marquette, Marysville, McPherson, Minneapolis, Mount Hope, Newton, Nickerson, Ottawa, Paola, Peabody, Sabetha, Salina, Scandia, Seneca, Severy, Solomon, Washington, Wellington, Williamsburg, Winfield, and Yates Center.

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<sup>14</sup> Docket 24-USCT-205-CCN, 09/05/2023. Collectively known as both "Brightspeed Companies of Kansas" and trade name "Brightspeed" in the state of Kansas, it is currently comprised of separate legal entities, 4 ILECS respectively: Brightspeed of Kansas, LLC; Brightspeed of Eastern Kansas, LLC; Brightspeed of Southern Kansas, Inc.; and Brightspeed of West Missouri, LLC. After a series of name changes, "Brightspeed" was formerly and collectively known as the "United Telephone Companies of Kansas d/b/a CenturyLink" f/k/a "Sprint/United Telephone Companies" in the state of Kansas.

<sup>15</sup> f/k/a Southwestern Bell Telephone Company, Docket 24-SWBT-546-CCN, 05/07/2024; f/k/a Southwestern Bell Telephone, L.P., Docket 07-SWBT-1402-CCN, 06/29/2007.

To be eligible to receive support from the FUSF, a carrier is required to be designated an ETC. A state commission may designate a carrier as an ETC in accordance with 47 U.S.C. § 214(e)(1). The Commission derives its authority to designate ETCs pursuant to 47 U.S.C. § 214(e)(2).

The Commission derives its authority to order carrier or carriers to provide service to unserved community or portion thereof pursuant to 47 U.S.C. § 214(e)(3), which requires:

If no common carrier will provide the services that are supported by Federal universal service support mechanisms under section 254(c) of this title to an unserved community or any portion thereof that requests such service, the Commission, with respect to interstate services or an area served by a common carrier to which paragraph (6) applies, or a State commission, with respect to intrastate services, shall determine which common carrier or carriers are best able to provide such service to the requesting unserved community or portion thereof and shall order such carrier or carriers to provide such service for that unserved community or portion thereof. Any carrier or carriers ordered to provide such service under this paragraph shall meet the requirements of paragraph (1) and shall be designated as an eligible telecommunications carrier for that community or portion thereof. (Emphasis added).

The Commission derives its authority to permit an eligible telecommunications carrier to relinquish its designation pursuant to 47 U.S.C. § 214(e)(4), which requires:

A State commission...shall permit an eligible telecommunications carrier to relinquish its designation as such a carrier in any area served by more than one eligible telecommunications carrier. An eligible telecommunications carrier that seeks to relinquish its eligible telecommunications carrier designation for an area served by more than one eligible telecommunications carrier shall give advance notice to the State commission...of such relinquishment. **Prior to permitting a telecommunications carrier designated as an eligible telecommunications carrier to cease providing universal service in an area served by more than one eligible telecommunications carrier, the State commission ... shall require the remaining eligible telecommunications carrier or carriers to ensure that all customers served by the relinquishing carrier will continue to be served, and shall require sufficient notice to permit the purchase or construction of adequate facilities by any remaining eligible telecommunications carrier.** The State commission ... shall establish a time, not to exceed one year after the State commission ... approves such relinquishment under this paragraph, within which such purchase or construction shall be completed. (Emphasis added).

### **ANALYSIS:**

To add in its review of the application, Staff issued Discovery Request 1 (DR 1) on June 4, 2025, and Discovery Request 2 (DR 2) on June 11, 2025. The requests were received by USCOC through e-mail on June 9, 2025, and June 12, 2025, respectively. T-Mobile filed a letter in support of USCOC's petition to relinquish its ETC status on April 29, 2025.

## **I. Reason for Request**

The application indicates the decision for relinquishment is due to the anticipated acquisition of USCOC's wireless business operations, assets, and customers by T-Mobile. The acquisition will be completed pending the Closing. The transfer of control and assignment of various spectrum licenses & authorizations are also pending at the Federal Communications Commission (FCC). USCOC expects the Closing date to be around mid-2025.

According to responses to both DR 1 and DR 2, USCOC intends to cease all telecommunications services in Kansas with the Closing.<sup>16</sup> T-Mobile intends to provide Lifeline service to USCOC customers through its Lifeline subsidiary Assurance Wireless USA, L.P. (Assurance Wireless). While Assurance is currently an ETC in some areas of Kansas, on December 6, 2024, in Docket No. 25-VMBZ-235-ETC, Assurance Wireless filed an application for the expansion of ETC Lifeline designation in Kansas. USCOC indicates that "[a]ll of USCOC's Lifeline customers reside in wire centers that are in either the existing or proposed ETC service areas of Assurance Wireless."<sup>17</sup> Staff filed a Report and Recommendation supporting approval of Assurance Wireless's request on June 17, 2025.

## **II. Existence of Another ETC in Areas Served by USCOC**

In order to approve USCOC's request for relinquishment, 47 U.S.C. § 214(e)(4) dictates that there must be one or more ETCs in the service area covered by the company. In an area served by more than one ETC (including USCOC), the remaining ETC(s) are required to ensure that all customers served by the relinquishing carrier will continue to be served.

In response to DR 2, USCOC indicated that not all of the company's relinquished ETC areas will be covered by Assurance Wireless. However, Assurance Wireless will cover 90.3% of relinquished wire centers.<sup>18</sup> USCOC stated, "based on USAC data, there are 19 wireless Lifeline providers in Kansas, not including USCOC."<sup>19</sup> Staff has verified that there are several other Lifeline ETCs that offer Lifeline supported services in the RLEC, ILEC and AT&T Kansas areas that USCOC will be relinquishing. At the very least, the RLECs and Brightspeed are designated ETCs throughout their study areas. Thus, they offer service to all customers in their study areas. Each of the RLECs, Brightspeed, and AT&T are Lifeline ETCs and are obligated to provide service to any consumer upon a reasonable request.

For those areas that Assurance Wireless has an existing or proposed ETC designation, USCOC indicates that T-Mobile's network integration and seamless customer migration both mean that there will be continuity of service for USCOC's customers and no risk of Lifeline customers being left without service.<sup>20</sup> Given this information, Staff agrees with USCOC that it is not necessary to notify customers in advance specifically concerning the potential for loss of service. Such notification, along with information about the status of the upcoming acquisition could confuse

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<sup>16</sup> Staff Discovery Request No. KCC-1, issued June 4, 2025, and received thru e-mail on June 9, 2025

<sup>17</sup> Staff Discovery Request No. KCC-2, issued June 11, 2025, and received thru e-mail June 12, 2025.

<sup>18</sup> *Id.* Of the wire centers currently served by USCOC, 19 are outside of both the existing and proposed service areas of Assurance Wireless.

<sup>19</sup> Staff Discovery Request No. KCC-1, Question 7, received thru e-mail June 12, 2025.

<sup>20</sup> See Application, II Discussion A, p. 5.

customers.<sup>21</sup> Unless Lifeline customers desire to switch carriers or to another T-Mobile plan, all Lifeline customers will continue on their existing rate plans and will not need to take any action.

### **III. Notification Requirement**

Upon approval of the acquisition and when the Closing date is known, USCOC stated they will submit a notification filing to specify the effective date of the relinquishment.<sup>22</sup> USCOC has provided advanced notice of the relinquishment to the Commission. Additionally, USCOC stated, “[t]o the best of UScellular’s knowledge, none of the remaining ETC’s will be required to purchase or construct additional facilities to continue to serve consumers within UScellular’s Kansas service area.”<sup>23</sup> Therefore, the advance notification requirement is of limited value in terms of allowing another carrier time to construct facilities to serve a USCOC customer.

### **IV. Benefit Transfers**

The USAC database defines a benefit transfer as when one service provider transfers a subscriber’s Lifeline program benefit from another service provider. The benefit transfer must be at the request of the subscriber. The subscriber’s new service provider initiates the transaction in the National Lifeline Accountability Database (NLAD) on the subscriber’s behalf. Prior to initiating a benefit transfer in NLAD, the service provider must obtain the consent of the subscriber and obtain proper documentation of consent.<sup>24</sup>

Staff reminds USCOC to follow the guidelines set in place by USAC when transferring the subscriber’s service to T-Mobile’s Assurance Wireless or other provider.

### **V. Other Relevant Information**

USCOC owes \$19.22 in Commission assessments and \$2,297.36 in KUSF assessments. Staff suggests that USCOC be required to fulfill its obligations to Vantage Point Solutions, the KUSF administrator, and to the Commission before it is allowed to relinquish its ETC designation authority. Further, USCOC will need to take all necessary actions to ensure it will no longer be receiving FUSF support after the official relinquishment date that will be filed with the Commission. Staff will notify the FCC and USAC after the Commission issues an Order approving USCOC’s request to relinquish the company’s ETC designation.

### **RECOMMENDATION:**

Staff is satisfied that USCOC has met the requirements for relinquishment as identified in 47 U.S.C. § 214(e)(4). Each one of the impacted customers has the option for continuing to participate in the Lifeline program in the relinquished area and has at least one or more designated, competitive ETCs providing the Lifeline discount. Staff recommends the Commission issue an Order granting USCOC’s request to relinquish its ETC designation for FUSF purposes in all its areas and cease providing telecommunications in Kansas, dependent upon:

- 1) USCOC fulfilling its obligations to the Commission and VPS;
- 2) the approval & Closing of the T-Mobile acquisition; and
- 3) filed notice of the effective date of its ETC relinquishment in the instant docket.

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<sup>21</sup> See Application, Footnote 15, p. 5.

<sup>22</sup> See Application, pp. 1-2.

<sup>23</sup> See Application, II Discussion D, p. 5.

<sup>24</sup> <https://www.usac.org/lifeline/national-lifeline-accountability-database-nlad/benefit-transfers/>.



## **CERTIFICATE OF SERVICE**

25-USCZ-367-ETC

I, the undersigned, certify that a true and correct copy of the above and foregoing Notice of Filing of Staff's R&R was served via electronic service this 30th day of June, 2025, to the following:

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