May 1, 2019

Ms. Lynn Retz<br>Secretary of the Commission<br>Kansas Corporation Commission<br>1500 SW Arrowhead Road<br>Topeka, KS 66604-4027

## RE: Docket No. 16-GIMT-511-GIT <br> CenturyLink's Updated Compliance Filing on CAF II and KUSF Support Consistent with the Commission's December 12, 2017 Order

Dear Ms. Retz:
In its May 24, 2016 Opening Order, the Commission directed CenturyLink in Ordering Paragraph A to file (A) its proposed model, (B) its revised CAF II support, (C) the 2015 enabled locations reported to the FCC, and (D) its preliminary 2016 enabled data by July 1, 2016. CenturyLink made the required compliance filing on June 30, 2016 and labeled the individual elements of its filing as Attachment A, B, C and D, respectively. On August 16, 2016, after ongoing discussions with Staff, CenturyLink filed with the Commission a slightly revised Attachment A and Attachment B.

On August 22, 2016, Staff filed its Report and Recommendation which recommended the Commission (1) adopt CenturyLink's August 16, 2016 model, (2) adopt true-ups and adjustments proposed by Staff and (3) adopt a bi-annual CAF II and KUSF support true-up process. The Commission accepted Staff's recommendation in an Order dated October 10, 2016 and further directed CenturyLink to file an updated CAF II model, reflecting 2016 enabled locations and preliminary 2017 enabled locations, and CAF II support offset by May 1, 2017. On May 1, 2017, CenturyLink made the required filing. On December 6, 2017, Staff filed its Report and Recommendation.

On December 12, 2017, the Commission issued its Order modifying CenturyLink's KUSF support for the following six months and directing CenturyLink to file its updated CAF II model and KUSF support calculations, and household location data within exchanges where it has enabled broadband services no later than May 31, 2018. CenturyLink made this filing on May 1, 2018.

Although the Commission has not set a similar deadline for a 2019 data submission in an Order, consistent with the established schedule as agreed upon by Staff, CenturyLink makes this filing which includes the following attachments:

- Attachment A \& C combined: A) CenturyLink's revised proposed model to reflect 2018 CAF II enabled locations AND C) Detailed location data for the 16,756 enabled locations CenturyLink has enabled under CAF II (labeled "CAF 2 Completed" tab in the Excel spreadsheet).

It should also be noted that the "adjustment location factor" proposed by CenturyLink and approved by the Commission in its October 10, 2016 Order (Para. 8) has been removed from the model for the 2017 and 2018 enabled census blocks as further directed by the Commission in its Order (Para. 9).

The United Telephone Companies of Kansas d/b/a CenturyLink considers Attachment A and C to be confidential and of commercial value, and it has not been made public. The file also contains location data which could be valuable to a competitor in evaluating or formulating different strategies for the Kansas market. This document is filed pursuant to K.S.A. 66-1220a, and CenturyLink asks the Commission to treat this document as confidential and exempt from public disclosure under that statute. A redacted copy has been filed publically.

- Attachment B - CenturyLink's revised KUSF Support. CenturyLink's revised KUSF support figure is the result of the model in Attachment A. The revised KUSF support amount differs by - $\$ 47,236$ (or - $\$ 3,936$ monthly) from the previous model as a result of 2018 enabled locations. CenturyLink considers Attachment B to be public data.

Finally, as directed by the Commission in its Order dated October 10, 2016, (Para. 11), CenturyLink and Staff continue their on-going cooperative efforts to identify and resolve any potential location discrepancies. While these isolated location discrepancies are common in the industry and could potentially impact the amount of KUSF support, this verification initiative is unrelated to the CAF program or the CAF offset.

If you have any questions concerning this matter, please contact me.
Yours appreciatively,


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# SUBMITTED PURSUANT TO K.S.A. 66-1220A 

United Telephone Companies of Kansas<br>d/b/a/ CenturyLink

Attachment A \& C<br>KUSF/CAF Model - See Separate Excel File

This Attachment contains confidential and of commercial value, and it has not been made public as described in the cover letter



CenturyLink -- United Telephone Companies of Kansas
Docket No. 16-GIMT-511-GIT

## 1-May-19

Calculation of CenturyLink's Revised KUSF Year\#23 Support Amount Resulting From Changed Federal Offset

|  | Year23 Approved (1) |  |  | Year23 Revised Proposal (2) |  | Difference |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Gross High Cost | \$ | 10,448,382 |  | \$ | 10,448,382 | \$ | - |
| Federal Offset | \$ | $(2,225,984)$ | from model | \$ | $(2,273,219)$ | \$ | $(47,235)$ |
| NET HIGH COST | \$ | 8,222,398 |  | \$ | 8,175,163 | \$ | $(47,235)$ |
| Gross Access | \$ | 575,519 |  | \$ | 575,519 | \$ | - |
| Access True up | \$ | $(357,269)$ | 7 | \$ | $(357,269)$ | \$ | - |
| NET ACCESS | \$ | 218,250 |  | \$ | 218,250 | \$ | - |
| KUSF Adjustment/Rounding | \$ | 1 |  | \$ | - | \$ | (1) |
| Qualifying KUSF | \$ | 8,440,649 |  | \$ | 8,393,413 | \$ | $(47,236)$ |
| Statutory KUS Cap | \$ | 11,400,000 |  | \$ | 11,400,000 |  |  |
| Total KUSF | \$ | 8,440,649 |  | \$ | 8,393,413 | \$ | $(47,236)$ |

Notes:
(1) Year23 approved amounts from Docket No. 19-GIMT-056-GIT for 6 months until revised model available Amounts taken from Attachment B pages 1 and 4 from Reams's Direct Testimony filed 12/14/2018
(2) KCC Order in Dkt No. 16-511 dated December 12, 2017 directed CenturyLink to file its revised KUSF support amount on May 31, 2018 with 2018 results filed on May 1, 2018. No such procedural schedule has been established in a docket for 2019 although CenturyLink submits the 2019 updated data based on the schedule agreed upon with Staff. Federal offset amount taken from Al-118 from May 1st 2019 KUSF/CAF Model summary page

