

2012.02.15 15:13:35
Kansas Corporation Commission
/S/ Patrice Petersen-Klein



2800 SW Windermere Drive
Topeka, KS 66614 - 4895

785-862-2001 / Fax: 785-862-2003

Tom Maurer
Director
tmaurer@tssks.com

February 15, 2012

Received
on

FEB 15 2012

by
State Corporation Commission
of Kansas

Ms. Patrice Petersen-Klein
Executive Director
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604

Dear Ms. Petersen-Klein:

Enclosed are an original and three (3) copies of Bluestem Telephone Company's (BSTT) [LEC] (d/b/a Fairpoint Communications) Application for an increase in basic local access line rates pursuant to K.S.A. 66-2007(b). Also enclosed is a sample tariff sheet reflecting the proposed changes.

If you have any questions concerning this filing, please contact me on (785) 862-2001.

Sincerely,

A handwritten signature in cursive script that reads 'Tom Maurer'.

Tom Maurer
Director

Enclosures

pc: Pat Morse, Bluestem Telephone Company

3. LOCAL SERVICES

3.1 Local Exchange Telephone Service - Basic Service Rates

These monthly rates apply to all customers of the Company. This rate covers the provision of network access to a local customer location, and entitles the customer to local calls (without toll charge) to all local stations connected to a central office of the exchange, or to all local extended local service area where comprised of more than one exchange.

The following rates apply to all customers for basic local exchange service within the exchanges of:

	Cedar Point	Saffordville	
			<u>Monthly Rate</u>
(CR)	Business Access Line		\$19.54 *
	Residence Access Line		\$15.24 (I)

The following rates apply to all customers for basic local exchange service within the exchange of Americus:

(CR)	Business Access Line		\$21.17 *
	Residence Access Line		\$15.24 (I)

* See Section 3, Sheet 21 for available term and volume discounts.

3.11 Kansas Universal Service Fund

Beginning March 1, 1997, the Company will assess a fee for funding of the Kansas Universal Service Fund (KUSF), including Kansas Lifeline Service Program (KLSP), and the Kansas Telecommunications Access Program (TAP). These funds were enacted by the Kansas Legislature in 1996, and authorized by the Kansas Corporation Commission on December 27, 1996 in Docket No. 190,492-U. The Amount of the fee may vary as determined by the Fund Administrator.

3.12 Lifeline Service

The Lifeline Service (Lifeline) program, sponsored by the FCC, is a program designed to maintain and preserve universal service by providing a reduction in the price of basic residential local exchange service to qualifying low-income customers.

a. General

1. Lifeline is a Federally funded reduction of the subscriber line charge (SLC) and a reduction of local service charges. Eligible applicants will receive a reduction of \$10.00 on their local telephone bill.

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of the Application of Bluestem)
Telephone Company d/b/a Fairpoint)
Communications to Increase Local Rates)

Docket No. _____

APPLICATION

Bluestem Telephone Company d/b/a Fairpoint Communications (BTC), a telephone public utility certificated by the Commission to provide telecommunications service within the State of Kansas, hereby makes application pursuant to K.S.A. 66-2007(b) to increase basic local exchange rates, and in support hereof state the following:

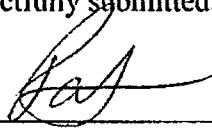
1. BTC has recently been making capital expenditures in its telephone plant and facilities of approximately \$432,000.
2. Pursuant to K.S.A. 66-2007(b), BTC asks permission to increase its' basic local exchange rates by increasing the local rates.
3. K.S.A. 66-2007(b) permits any basic local exchange price increase that in the aggregate in any one year is \$1.50 or less per access line per month; that is proposed by any rural telephone company subject to traditional rate of return regulation; and that complies with the requirements of this section. BTC meets these qualifications as it is a rural telephone company and subject to rate of return regulation by the Commission.
4. Attached hereto and made a part hereof by reference is Exhibit A, which shows the present rates, the amount of the proposed rate increase, and the annual revenue increase of \$11,548.08 resulting from the change in local rates.
5. Also attached as Exhibit B and made a part hereof by reference is a copy of the customer notice BTC is sending to its' subscribers by regular subscriber mailings, providing a schedule of the proposed rates, the effective date of the rates and a description of the procedures by which the subscribers may petition the Commission to determine the reasonableness of the proposed rates.
6. BTC has indicated on the notice to its subscribers that the rate increase will not be sooner than sixty (60) days nor more than one hundred twenty (120) days after the notice. As this Commission is aware, K.S.A. 66-2007(b) provides that the Commission shall investigate the proposed rates if fifteen percent (15%) of the subscribers petition for an investigation within sixty (60) days after the date of distribution of the notice, but if no investigation is required, the Commission shall

approve the rate change upon not more than one hundred twenty (120) days from the notice.

WHEREFORE, your Applicant Bluestem Telephone Company respectfully requests the Commission to approve the proposed increase of its' basic local exchange rates pursuant to Exhibit A.

Respectfully submitted,

By: _____

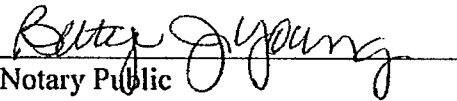

Patrick L. Morse
Sr. Vice President – Governmental Affairs
Bluestem Telephone Company

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS:
COUNTY OF FORD)

BE IT REMEMBERED, that on the 13 day of February, 2012, before me, the undersigned notary public, came Patrick L. Morse, Sr. Vice President of Bluestem Telephone Company, who is personally known to me to be the same person who executed the foregoing Application, and duly acknowledges the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal on the day and year last above written.


Notary Public

My Commission Expires: November 16, 2014

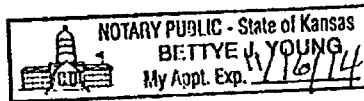


EXHIBIT A

Bluestem Telephone Company Rate Increase Proposal

<u>Number of Customers (Residence)</u>	<u>Present Rate (Residence)</u>	<u>Proposed Rate (Residence)</u>	<u>Monthly Increase</u>	<u>Annual Increase</u>
395	\$13.74	\$15.24	\$1.50	\$7,110.00
268	\$13.86	\$15.24	\$1.38	\$4,438.08
Total Annual Revenue Increase		\$11,548.08		

EXHIBIT B

Bluestem Telephone Company Rate Increase Proposal

Customer Notice of Proposed Rates

As you may be aware, Bluestem Telephone Company has recently upgraded its rural telephone plant and facilities making additional investments of approximately \$432,000.

The Kansas Telecommunications Act of 1996 authorized rural telephone companies to increase their basic local exchange rates up to \$1.50 per month in any one year. Bluestem plans to raise its residence rates as follows:

<u>Present Rate</u> (Residence)	<u>Proposed Rate</u> (Residence)
\$13.74	\$15.24
\$13.86	\$15.24

K.S.A. 66-2007(b) requires Bluestem to provide each subscriber notice of the proposed rate increase and to inform you that you can petition the Kansas Corporation Commission (800-662-0027 or Public.Affairs@KCC.KS.gov) to determine the reasonableness of the proposed rates. If fifteen percent (15%) or more of our subscribers protest the proposed rate increase, the Commission will be required to initiate an investigation.

The proposed increase will be made in the first billing date following the Commission's approval. It will not be earlier than sixty (60) days nor more than one hundred twenty (120) days from this notice.