

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

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

In the Matter of a General Investigation of)
CORETEL KANSAS, INC. to Show Cause)
Why This Commission Should Not Levy) Docket No. 25-CTKT-079-SHO
Sanctions, Penalties, and Fines or Cancel,)
Suspend, or Revoke Any Authority the Carrier)
Holds for Non-Compliance with Kansas)
Statutes and Commission Orders)

ORDER TO SHOW CAUSE

This matter comes before the State Corporation Commission of the State of Kansas (“Commission”) for consideration and decision. Having reviewed the pleadings and record, the Commission makes the following findings:

I. Background

1. The Commission has previously issued a Certificate of Convenience and Authority (“COC”) to CoreTel Kansas, Inc. (“CoreTel”) to provide local exchange and exchange access services in Kansas as a competitive local exchange carrier (“CLEC”)¹ and to provide interexchange carrier (“IXC”) services.²

2. At the time of issuance of its COCs, CoreTel was directed, in relevant part, to file annual reports with the Commission; to notify the Commission of any changes in its structure or operation;³ and to report its revenues and any change in name or corporate structure to the Kansas Universal Service Fund (“KUSF”) Administrator.⁴

¹ See Order Granting Certificate, p. 6, Docket No. 09-CTKT-241-COC (Feb. 23, 2009) (“CLEC COC”).

² See Order Granting Certificate, p. 3, Docket No. 09-CTKT-242-COC (Feb. 23, 2009) (“IXC COC”).

³ See CLEC COC, p. 6; IXC COC, p. 3.

⁴ CLEC COC, p. 6

3. The Commission previously issued a Show Cause Order to CoreTel due to forfeiture status with the Kansas Secretary of State and delinquency with Commission assessments.⁵ In that instance, CoreTel came into compliance and the Commission dismissed the Show Cause Order as a result.⁶

4. On August 21, 2024, Commission Technical Staff (“Staff”) filed a Report and Recommendation (“R&R”), in which Commission Staff alleged that CoreTel had failed to submit its 2023 Annual Interrogatory Report, was out of compliance with the KUSF Administrator, and had outdated contact information on file with the Commission.⁷ The KUSF Administrator is Vantage Point Solutions (“VPS”). According to VPS, CoreTel is delinquent in submitting required forms.⁸

5. Staff’s R&R details a series of attempted and failed communication with CoreTel to alert the company of its deficiencies. Staff represents that it has now exhausted all of its CoreTel contact information. CoreTel did not file a response to Staff’s August 21, 2024, R&R.

6. Staff recommended the Commission initiate a Show Cause proceeding and require CoreTel to show cause as to why it should not be subject to sanctions, penalties, and/or fines; and further, why CoreTel’s COCs to operate as a CLEC and IXC should not be revoked for CoreTel’s failure to comply with its Kansas obligations.⁹ Staff also recommended, given CoreTel’s history of noncompliance, the Commission should increase any potential penalty levied upon CoreTel from the amount previously assessed.¹⁰

⁵ See Order to Show Cause, p. 2, Docket No. 12-CTKT-669-SHO (“Docket 12-669”) (Mar. 14, 2012).

⁶ Order to Dismiss Show Cause and Close Docket, p. 2, Docket 12-669 (Apr. 20, 2012).

⁷ Notice of Filing of Staff’s Report and Recommendation (Aug. 21, 2024) (“R&R” or “Staff’s R&R”).

⁸ See *id.*, p. 3; Attachment 1 to Staff’s R&R.

⁹ See *id.*, p. 1.

¹⁰ See *id.*, p. 4.

II. Jurisdiction and Legal Standards

7. The Commission has full power, authority, and jurisdiction to supervise and control the local exchange carriers¹¹ doing business in Kansas and is empowered to do all things necessary and convenient for the exercise of such power, authority, and jurisdiction.¹² The Commission has a duty to inquire into any neglect or violation of law by a telecommunications public utility operating in Kansas and its officers, agents, and employees.¹³

8. Pursuant to K.S.A. 66-123, public utilities governed by the Commission, at the Commission's requirement, shall file annual reports, and are subject to penalties for failure, neglect, or refusal to file such annual report.

9. Pursuant to K.S.A. 66-138(a)(2), the Commission may levy penalties against a telecommunications carrier for violating applicable statutes, failing or refusing to perform a duty imposed upon it by statute, or failing, neglecting, or refusing to obey any lawful requirement or order made by the Commission.

III. Analysis and Findings

10. The Commission has reviewed Staff's R&R and adopts Staff's findings. CoreTel shall be ordered to show cause as to why it should not be subject to penalties and/or fines, and further, why its COCs to operate as a CLEC and IXC in the state of Kansas should not be suspended or revoked for failure to comply with Kansas obligations.

¹¹ K.S.A. 66-1,187 defines "local exchange carrier" as "any telecommunications public utility or its successor...providing switched telecommunications service within any local exchange service area, as approved by the commission on or before January 1, 1996." K.S.A. 66-2005(w) requires any carrier not already authorized to provide telecommunications services in Kansas as of January 1, 1996, to apply for and receive a Certificate of Convenience based upon a demonstration of technical, managerial, and financial viability and the ability to meet quality of service standards established by the Commission. The Commission retains jurisdiction over these carriers for the purpose of authorizing applications for, or suspending or canceling COCs pursuant to K.S.A. 66-2005(z)(1).

¹² K.S.A. 66-1,188.

¹³ See K.S.A. 66-1,188; K.S.A. 66-1,195.

THEREFORE, THE COMMISSION ORDERS THAT:

A. CoreTel shall show cause by filing a response, within thirty (30) days of receipt of this Order, detailing why it should not be subject to penalties, and/or fines, and further, why its Certificates of Convenience to operate as a Competitive Local Exchange Carrier and Interexchange Carrier in the State of Kansas should not be canceled, suspended, or revoked for failure to comply with Kansas obligations.

B. CoreTel is further directed to immediately: 1) submit its Annual Interrogatory Report; 2) come into compliance with the KUSF administrator; and 3) update its contact information with the Commission.

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).¹⁴

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 10/01/2024



Lynn M. Retz
Executive Director

CRM

¹⁴ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

25-CTKT-079-SHO

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of electronic service on 10/01/2024.

RALPH GLEATON, GENERAL COUNSEL
CORETEL KANSAS, INC.
213 SOUTH MAIN STREET
ANDERSON, SC 29624
ralph@gleatonlaw.com

CARLY MASENTHIN, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
carly.masenthin@ks.gov

NICOLE STEPHENS, KUSF ADMINISTRATOR MANAGER
VANTAGE POINT SOLUTIONS
2930 MONTVALE DRIVE SUITE B
SPRINGFIELD, IL 62704
nicole.stephens@vantagepnt.com

/S/ KCC Docket Room
KCC Docket Room