THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Shari Feist Albrecht, Chair Jay Scott Emler Dwight D. Keen

In the Matter of the Cancellation of All Operating Certificates of Convenience and Authority Previously Granted to Quasar Communications Corporation

) Docket No. 19-QSRC-009-CCS) (IXC)

ORDER CANCELLING CERTIFICATE AND WRITING OFF KANSAS UNIVERSAL SERVICE FUND BALANCES

NOW, the above-captioned matter comes on for consideration and determination by the State Corporation Commission of the State of Kansas. The Commission, after giving due consideration to the Application and being fully advised in the premises, finds that:

1. Quasar Communications Corporation (Quasar) filed a letter dated July 11, 2018, indicating its preference to surrender its authority to conduct business in the State of Kansas, effective June 30, 2018. Quasar had been granted a Certificate of Convenience and Authority to provide Interexchange Services in Kansas on July 15, 2004, in Docket No. 04-QSRC-1085-COC. Since filing its letter request to cancel service, Quasar has discontinued its business office in Houston, Texas, and is not presently available to be contacted, as the Commission Staff (Staff) has attempted service and has been unable to reach the Company regarding further proceedings in this Docket. In its letter of July 11, 2018, Quasar states it has stopped service and has no customers.

2. The Commission's authority to supervise telecommunication public utilities is provided in K.S.A. 2017 Supp. 66-1,188. The Commission's authority to issue and terminate certificates of public convenience arises from K.S.A. 2017 Supp. 66-131. Pursuant to K.S.A. 2017 Supp. 66-131, the Commission must review all certificate applications to determine whether the public convenience will be promoted by granting the request.

3. On August 28, 2018, the Staff submitted a Report and Recommendation, urging the Commission to cancel Quasar's Certificate of Convenience and Authority to provide Interexchange Service within Kansas and recommending the Commission authorize GVNW Consulting, Inc. (GVNW), the Kansas Universal Service Fund (KUSF) Administrator, to write-off and close the Quasar KUSF account, consistent with the policy adopted by the Commission to discharge delinquent KUSF balances. At the present time, Quasar is shown to have a KUSF balance of \$85.95.

4. The Commission's write-off policy allowing the KUSF Administrator to discharge delinquent account balances of a carrier to the KUSF is permitted when the following criteria is met: (1) A company has a delinquent balance of \$99.00 or less and the company; (2) is at least 180-days delinquent with its KUSF obligations; (3) no longer operates in Kansas; or (4) the Administrator does not have any current contacts for the company.

5. The Commission adopts Staff's analysis and recommendation of August 28, 2018, as stated in its Report and Recommendation, which is attached and made a part of this Order by reference, and finds the public convenience will be promoted by granting the request to cancel the Quasar's Certificate of Convenience and Authority to provide Interexchange Service in Kansas. No adverse customer impacts would be created by granting the authority to cancel service, as Quasar has indicated it has no customers and is not marketing interexchange service in Kansas. The Commission further affirms the Commission write-off policy is met by directing GVNW to discharge the delinquent Quasar KUSF account balance of \$85.95 and approves the Staff request to write-off this amount. In addition, the Commission approves the Staff recommendation to direct GVNW to: (1) maintain all related KUSF records in a manner that will allow GVNW to track the

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reason for the write-off, the amount written-off, and any future transactions applicable to the Company's account; and (2) notify Staff of any future transactions or correspondence with Quasar.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Quasar Communications Corporation request filed July 11, 2018, is hereby granted and the Certificate and Authority authorizing Quasar to provide Interexchange Service in Kansas, issued July 15, 2004, in Docket No. 04-QSRC-1085-COC, is hereby canceled, effective as of the date of this Order.

B. GVNW Consulting, Inc. is authorized to write-off the \$85.95 KUSF account balance of Quasar Communications Corporation and to close its account.

C. GVNW Consulting Inc. shall also maintain its records in such a manner that allows it to track the amount written off, and any future transactions applicable to Quasar Communications Corporation, and notify Staff of any further transactions or correspondence from Quasar.

D. 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

E. The Commission retains jurisdiction over Quasar Communications Corporation. and the subject matter of this Docket for the purpose of entering such further Order or Orders as it may deem necessary.

¹ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

BY THE COMMISSION IT IS SO ORDERED.

Dated: _____09/06/2018

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner.

Lynn M. Ret

Lynn M. Retz Secretary to the Commission

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STATE OF KANSAS

Corporation Commission Utilities Division 1500 SW Arrowhead Road Topeka, KS 66604-4027



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GOVERNOR JEFF COLYER, M.D. Shari Feist Albrecht, Chair | Jay Scott Emler, Commissioner | Dwight D. Keen, Commissioner

REPORT AND RECOMMENDATION UTILITIES DIVISION

- TO: Chair Shari Feist Albrecht Commissioner Jay Scott Emler Commissioner Dwight D. Keen
- **FROM:** Kelly Mabon, Telecommunications Analyst Christine Aarnes, Chief of Telecommunications Jeff McClanahan, Director of Utilities
- **DATE:** August 28, 2018
- **SUBJECT:** Docket No. 19-QSRC-009-CCS (IXC) In the Matter of the Cancellation of All Operating Certificates of Convenience and Authority Previously Granted to Quasar Communications Corporation.

EXECUTIVE SUMMARY:

On July 11, 2018, Quasar Communications Corporation (Quasar) filed a letter asking the Commission to cease its Certificate of Convenience and Authority to Provide Interexchange Services within Kansas. Staff recommends approval of this request.

BACKGROUND:

The Commission derives its authority to supervise telecommunications public utilities from K.S.A. 66-1,188. The Commission derives its authority to certificate and de-certificate public utilities from K.S.A. 66-131.

Pursuant to K.S.A. 66-131, the Commission must review all certification and de-certification applications to determine whether the "public convenience" will be promoted by granting the request.

ANALYSIS:

The Company was provided a Certificate to provide Interexchange Services in Kansas on July 15, 2004, in Docket No. 04-QSRC-1085-COC.

Quasar asserts that there are no customers whose service would be impacted by this cancellation and that it is not currently marketing its services.

Since the Application was made, Staff has attempted to contact the company, to no avail and does not have any current contacts for the company. Mail has been returned with no forwarding address from the address listed on the Application. The Company currently has an \$85.95 Kansas Universal Service Fund (KUSF) account balance. The KUSF Administrator is required to maintain the records to reflect any balance written off in order to reinstate the balance in the event that the company later does business in Kansas or current contact information becomes available.

In June 2000, the Commission adopted a write-off policy to allow the KUSF Administrator to write-off delinquent balances owed by a company to the KUSF or from the KUSF to a contributor. The Commission's policy, based on the advice of the Kansas Attorney General's Office, attempts to balance the costs of administering the KUSF with the benefits of collecting from delinquent carriers. Under the Commission's policy, a balance owed to the KUSF may be written-off when the following criteria are met: (1) A company has a delinquent balance of \$99.00 or less and the company; (2) is at least 180-days delinquent with its KUSF obligations; (3) no longer operates in Kansas; or (4) the Administrator does not have any current contacts for the company.

RECOMMENDATION:

As no customers will be adversely affected by this filing, Staff recommends the Commission approve Quasar's request to cancel the Certificate of Convenience and Authority to provide Interexchange Services within Kansas.

In addition, Staff recommends that the Commission issue an Order authorizing GVNW to writeoff the \$85.95 balance on Quasar's KUSF account and close its account. Staff further recommends that GVNW be directed to: (1) maintain all related KUSF records in a manner that will allow GVNW to track the reason for the write-off, the amount written-off, and any future transactions applicable to the Company's account; and (2) notify Staff of any future transactions or correspondence with Quasar.

CERTIFICATE OF SERVICE

19-QSRC-009-CCS

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of 09/07/2018

first class mail/hand delivered on _____

NICOLE STEPHENS, KUSF ADMINISTRATOR MANAGER GVNW CONSULTING, INC. 2930 MONTVALE DRIVE, STE. B SPRINGFIELD, IL 62704 Fax: 719-594-5803 nstephens@gvnw.com

WALKER HENDRIX, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604 Fax: 785-271-3354 w.hendrix@kcc.ks.gov DAVID G. WINTER, SENIOR CONSULTANT GVNW CONSULTING, INC. 2270 LA MONTANA WAY, Ste 100 COLORADO SPRINGS, CO 80918 Fax: 719-594-5803 dwinter@gvnw.com

ELISE ESCAMILLA, PRESIDENT QUASAR COMMUNICATIONS CORPORATION 15610 BOULDER OAKS DR HOUSTON, TX 77084 Fax: 281859-7747 mbernal@quasarinc.net

/S/ DeeAnn Shupe DeeAnn Shupe