

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Dwight D. Keen, Chair
 Shari Feist Albrecht
 Susan K. Duffy

In the Matter of An Investigation to Determine)
the Assessment Rate and the Affordable Local)
Service Rates for Rate-of-Return Regulated) Docket No. 19-GIMT-056-GIT
Carriers for the Twenty-Third Year of the)
Kansas Universal Service Fund, Effective)
March 1, 2019.)

ORDER APPROVING TRAFFIC FACTORS FOR
STAR2STAR COMMUNICATIONS, LLC

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed its files and records and being duly advised in the premises, the Commission makes the following findings:

1. Pursuant to K.S.A. 66-2008(a), the Commission requires “every telecommunications carrier, telecommunications public utility and wireless telecommunications service provider that provides intrastate telecommunications services and, to the extent not prohibited by federal law, every provider of interconnected VoIP service, as defined by 47 C.F.R. 9.3 to contribute to the [Kansas Universal Service Fund (“KUSF”)] based upon the provider’s intrastate telecommunications services net retail revenues on an equitable and nondiscriminatory basis.” On December 27, 1996, in Docket No. 94-GIMT-478-GIT, the Commission declared that the contribution would be a yearly assessment on each provider’s intrastate retail revenues.

2. Pursuant to the Commission’s Order of January 24, 2012, and Amended Order of February 1, 2012, in Docket No. 12-GIMT-168-GIT, wireless carriers and interconnected voice over internet protocol (VoIP) providers have three options for identifying their Kansas intrastate

retail revenues. First, a provider may utilize the Federal Communications Commission's (FCC) Safe Harbor percentages to allocate intrastate and interstate Kansas revenues.¹ If a wireless carrier or VoIP provider utilizes the Safe Harbor percentages, no filings regarding the methodology are necessary. Second, a wireless carrier or VoIP provider may utilize a traffic study to determine revenue allocations between jurisdictions. If the wireless carrier or VoIP provider uses the traffic study methodology, it must file to request to use the methodology for KUSF purposes and provide the jurisdictional percentages (also known as "traffic factors") to the Commission, at least annually in the annual KUSF docket, and identify the specific timeframes for which the traffic factors apply. This filing requirement applies even if the traffic factors did not change from the prior year. Third, a wireless carrier or VoIP provider may directly assign revenue between jurisdictions.² If the wireless carrier or VoIP provider uses the direct assignment methodology, it does not need to provide the jurisdictional percentages, but it must request approval to use the methodology and inform the Commission at least annually, in the annual KUSF docket, whether it continues to use such methodology. Additionally, if the wireless carrier or VoIP provider uses either the traffic study or direct assignment methodologies, it must provide an affidavit from an officer of the company attesting that it uses the inverse of the intrastate KUSF revenue percentages for interstate, Federal Universal Service Fund (FUSF) remittance purposes. Such affidavit should accompany the filings referenced above.

¹See Report and Order and Notice of Proposed Rulemaking, 21 FCC Rcd. 7518 ¶65 (June 27, 2006); *See also* Petition of Nebraska Public Service Commission and Kansas Corporation Commission for Declaratory Ruling or, in the Alternative, Adoption of Rule Declaring State Universal Service Funds May Assess Nomadic VoIP Intrastate Revenues, WC Docket No. 06-122 (Nov. 5, 2010).

²See Implementation Order Adopting Staff Report and Recommendation and requiring VOIP Providers Operating in Kansas to Report and Remit the Kansas Universal Service Fund by January 15, 2009. ¶14, Docket No. 07-GIMT-432-GIT (Sep. 22, 2008).

3. On May 10, 2019, Star2Star Communications, LLC (Star2Star) filed its traffic study factors for the period beginning March 1, 2019 and ending in February 29, 2020. The filing was accompanied by an affidavit signed by John McGovern, Chief Financial Officer for Star2Star.

4. The Commission finds Star2Star's filings appropriate and approves the traffic study factors submitted for KUSF remittance purpose.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Star2Star Communication, LLC's traffic study factors, filed on May 10, 2019, for the period beginning March 1, 2019 and ending in February 29, 2020, are approved.

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).³

C. The Commission retains jurisdiction over the subject matter and parties for the purpose of issuing such further order, or orders, as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Keen, Chair; Albrecht, Commissioner; Duffy, Commissioner

Dated: 05/21/2019 _____



Lynn M. Retz
Secretary to the Commission

AAL

³ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

19-GIMT-056-GIT

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of electronic service on 05/21/2019.

TODD E. LOVE, ATTORNEY
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
t.love@curb.kansas.gov

DAVID W. NICKEL, CONSUMER COUNSEL
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
d.nickel@curb.kansas.gov

SHONDA RABB
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
s.rabb@curb.kansas.gov

DELLA SMITH
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
d.smith@curb.kansas.gov

KEVIN J KASTOR, DIRECTOR-GOVERNMENT AFFAIRS
CONSOLIDATED COMMUNICATIONS, INC.
350 S LOOP 336 WEST
CONROE, TX 77304-3308
kevin.kastor@consolidated.com

MARK DOTY
GLEASON & DOTY CHTD
401 S MAIN ST STE 10
PO BOX 490
OTTAWA, KS 66067-0490
Fax: 785-842-6800
doty.mark@gmail.com

THOMAS E. GLEASON, JR., ATTORNEY
GLEASON & DOTY CHTD
PO BOX 6
LAWRENCE, KS 66049-0006
Fax: 785-856-6800
gleason@sunflower.com

COLLEEN JAMISON
JAMISON LAW, LLC
P O BOX 128
TECUMSEH, KS 66542
colleen.jamison@jamisonlaw.legal

AHSAN LATIF, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3354
a.latif@kcc.ks.gov

MARK E. CAPLINGER
MARK E. CAPLINGER, P.A.
7936 SW INDIAN WOODS PL
TOPEKA, KS 66615-1421
mark@caplingerlaw.net

CERTIFICATE OF SERVICE

19-GIMT-056-GIT

RACHEL LIPMAN REIBER, ATTORNEY
REIBER LAW OFFICE, LLC
214 S CHESTNUT, SUITE 3
OLATHE, KS 66061
Fax: 913-782-4445
rlreiberlaw@gmail.com

BRUCE H. ILLES, CHIEF LEGAL OFFICER
STAR2STAR COMMUNICATIONS LLC
600 TALLEVAST RD STE 202
SARASOTA, FL 34243
legal@star2star.com

TRACEY GILES, SR. ANALYST-REGULATORY
COMPLIANCE
WINDSTREAM COMMUNICATIONS, LLC
4001 RODNEY PARHAM RD
LITTLE ROCK, AR 72212
Fax: 501-748-6583
tracey.l.giles@windstream.com

BRUCE A. NEY, ATTORNEY
SOUTHWESTERN BELL TELEPHONE CO.
D/B/A AT&T KANSAS
816 CONGRESS AVE
SUITE 1100
AUSTIN, TX 78701-2471
Fax: 512-870-3420
bn7429@att.com
KEVIN K. ZARLING
UNITED TELEPHONE CO. OF KANSAS
D/B/A CENTURYLINK
400 W 15TH ST STE 315
AUSTIN, TX 78701-1647
Fax: 913-345-6756
kevin.k.zarling@centurylink.com

/S/ DeeAnn Shupe

DeeAnn Shupe