

April 2, 2025

Ms. Lynn M. Retz
Executive Director
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604-4027

Re: Docket No. 25-L3CC-101-KSF

In the Matter of the Audit of Level 3 Communications, LLC by the Kansas Universal Service Fund (KUSF) Administrator Pursuant to K.S.A. 66-2010(b) for KUSF Operating Year 27, Fiscal Year March 2023-February 2024

Dear Ms. Retz:

In its August 1, 2024 Order, the Kansas Corporation Commission (KCC) directed Vantage Point Solutions (VPS) to perform a KUSF carrier audit of Level 3 Communications, LLC (Level 3 or Company) to ensure that the data submitted to the KUSF via the KUSF CRWs, the assessments paid, and the calculation and application of the flow-through surcharge billed to and collected from Level 3's customers, if applicable, are appropriate and accurate.

The KCC directed VPS to file two (2) versions of the audit report with the KCC; one (1) version containing confidential information and one (1) version with the confidential data redacted for public disclosure. Level 3's audit does not require a separate confidential report; therefore, only the enclosed public audit report for Level 3 is being filed.

Copies of the supporting documentation, including VPS' audit work papers and information provided by the company, are not included with the audit report, but are available from VPS, upon request.

Sincerely,

Shomari Jackson

cc: Steve Garrett - steve.garrett@ks.gov

CERTIFICATE OF SERVICE

I hereby certify that on this 2nd day of April, 2025, the above Kansas Universal Service Fund Audit Report was e-filed with the Kansas Corporation Commission and a copy was sent via electronic mail and/or U.S. Mail to:

KANSAS CORPORATION COMMISSION
1500 S.W. ARROWHEAD ROAD
TOPEKA, KS 66604


AHSAN LATIF
LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Ahsan.Latif@ks.gov

SHOMARI JACKSON
VANTAGE POINT SOLUTIONS
2930 MONTVALE DRIVE SUITE B
SPRINGFIELD, IL 62704
shomari.jackson@vantagepnt.com

WENDY HARPER
USF SERVICES MANAGER
VANTAGE POINT SOLUTIONS
2930 MONTVALE DRIVE, SUITE B
SPRINGFIELD, IL 62704
wendy.harper@vantagepnt.com

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

AL LUBECK
DIRECTOR OF STATE & LOCAL GOV'T AFFAIRS
LEVEL 3 COMMUNICATIONS, LLC D/B/A LUMEN
100 CENTURYLINK DR
MONROE, LA 71203
Al.Lubeck@LUMEN.COM



Shomari Jackson



**Vantage Point Solutions, Inc.
Audit Report for
Level 3 Communications, LLC**

From: Shomari Jackson, Auditor

Company Personnel: Ken Buchan, Senior Manager
Chad Rigal, Lead Analyst
Donnie Aultman, Lead Analyst

Date: March 28, 2025

On-Site Visit Date: January 28-29, 2025

KUSF Status: Current with Reporting & Payment obligations

Re: Docket No. 25-L3CC-101-KSF

In the Matter of the Audit of Level 3 Communications, LLC by the Kansas Universal Service Fund (KUSF) Administrator Pursuant to K.S.A. 66-2010(b) for KUSF Operating Year 27, Fiscal Year March 2023-February 2024

Audit Summary

Pursuant to the Kansas Corporation Commission's (KCC or Commission) August 1, 2024 Order, Vantage Point Solutions, Inc. (VPS) conducted an audit of Level 3 Communications, LLC (Level 3 or Company) based on the Kansas Universal Service Fund (KUSF) Audit Procedures adopted for KUSF Fiscal Year 27 (FY27).¹ VPS did not identify any KUSF reporting deficiencies during the course of the audit of Level 3.

The Company is current with its KUSF obligations.

VPS recommends the Commission issue an Order to adopt this Audit Report and Close the Docket.

Level 3 agrees with the Audit Report.

Background

During the course of the audit, VPS issued 15 Data Requests (DRs) to Level 3.

Level 3 operates as an interexchange telecommunications service provider², and is headquartered in Monroe, LA.

¹ Order Accepting VPS' KUSF Proposed Revisions to Selection Criteria and Carrier Review Procedures, Docket No. 23-GIMT-261-GIT, July 2, 2024 (23-261 Order).

² Order Granting Certificate, Docket No. 99-L3CC-319-COC, May 14, 1999 (99-319 Order).

Level 3 is required to report its revenue and pay the related assessments to the KUSF on a monthly basis.³ The Company is authorized to collect an amount equal to or less than its KUSF assessment from customers, and does so.⁴ The Company is not a designated Eligible Telecommunications Carrier (ETC) in Kansas, therefore, it does not offer Lifeline services to its customers.

Pursuant to Commission Order,⁵ VPS confirmed that Level 3 offers bundled and unbundled services to its Kansas customers. Bundled services include voice, text, data, and non-telecommunications services. Bundled service revenues are unbundled, or separated, into assessable and non-assessable revenues using a percentage unique to each bundled service. Intrastate revenues are then determined using the Federal/state safe harbor method. The Company states it uses this same allocation methodology for Federal USF (FUSF) and KUSF purposes.⁶

Current KUSF Obligations

The Company is current with its KUSF obligations.⁷

Current Audit Findings

VPS conducted the audit of Level 3 in accordance with the KUSF Audit Procedures adopted by the KCC.⁸ Based on the referenced procedures, VPS did not identify any audit findings and provides the following recommendation:

Recommendation: VPS recommends the Commission issue an Order to adopt this Audit Report and close the Docket.

³ Order Setting the Kansas Universal Service Fund Assessment Rate for Year Ten and Establishing Reporting Requirements, Docket No. 06-GIMT-332-GIT, Jan. 23, 2006 (06-332 Order).

⁴ K.S.A. 66-2008(a).

⁵ Order Determining KUSF Contribution Methodology, ¶ 27, Docket No. 14-GIMT-105-GIT, Oct. 20, 2016.

⁶ Level 3 response to DR 11.

⁷ Confirmed with the KUSF Administrator on March 27, 2025.

⁸ 23-261 Order.