

In the Matter of the Application and Request
of Blue Valley Tele-Communications, Inc.
for an Increase in its Cost-Based Kanas
Universal Service Fund Support.

)
) DOCKET NO. 20-BLVT-218-KSF
)
)

SCHEDULES

PREPARED BY

STAFF

UTILITIES DIVISION

KANSAS CORPORATION COMMISSION

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF

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BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
STAFF REVENUE REQUIREMENT
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Line No.	Description	A Staff Adjusted Total Company	B Staff Adjusted Interstate	C Staff Adjusted Intrastate
****	*****	*****	*****	*****
1	PROFORMA RATE BASE	\$16,457,169	\$5,359,720	\$11,097,449
2	STAFF RATE OF RETURN	<u>7.2200%</u>	<u>7.2200%</u>	<u>7.2200%</u>
3	OPERATING INCOME REQUIRED	1,188,208	386,972	801,236
4	PROFORMA OPERATING INCOME	<u>2,842,243</u>	<u>2,480,317</u>	<u>361,926</u>
5	NET PROFORMA REVENUE INCREASE / (DECREASE)	(1,654,035)	(2,093,345)	439,310
6	NET TO GROSS MULTIPLIER	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
7	GROSS PROFORMA REVENUE INCREASE / (DECREASE)	<u>(\$1,654,035)</u>	<u>(\$2,093,345)</u>	<u>\$439,310</u>

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
STAFF ADJUSTED AND PRO FORMA RATE BASE
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule A_1

Line No.	Acct	Description	A Applicant Book Balance	B Applicant Cost Study Adjustments	C Applicant Cost Study Balance	D Applicant Proforma Adjustments	E Applicant Proforma Balance	F Staff Adjustments	G Staff Adjusted Balance	H /--- Allocation ---/ Interstate	I Intrastate	J Staff Adjusted Interstate Rate Base	K Staff Adjusted Intrastate Rate Base
1	2110.000	Land	\$65,547	(\$17,842)	\$47,705		\$47,705	(\$7,441)	\$40,264	0.335870	0.664130	\$13,523	\$26,741
2	2110.000.5	Land - O&W	6,500	(1,769)	4,731		4,731	(738)	3,993	0.335870	0.664130	1,341	\$2,652
3	2110.100	Motor Vehicles	759,065	(285,864)	473,201	6,436	479,637	(129,846)	349,791	0.335870	0.664130	117,484	\$232,307
4	2110.100.5	Motor Vehicles - O&W	0	0	0		0	0	0	0.335870	0.664130	0	\$0
5	2110.500	Other Work Equipment	1,286,528	(85,168)	1,201,360	22,560	1,223,920	(552,578)	671,342	0.335870	0.664130	225,484	\$445,858
6	2110.600	Buildings	2,175,767	(1,015,355)	1,160,412		1,160,412	(164,661)	995,751	0.335870	0.664130	334,443	\$661,308
7	2110.600.5	Buildings - O&W	0	0	0		0	0	0	0.335870	0.664130	0	\$0
8	2110.800	Office Equipment	75,891	(20,658)	55,233		55,233	(20,905)	34,328	0.335870	0.664130	11,530	\$22,798
9	2110.850	Company Communications Equipment	449,341	(134,365)	314,976		314,976	(123,776)	191,200	0.335870	0.664130	64,218	\$126,982
10	2110.850.5	Company Communications Equipment - O&W	44,285	0	44,285		44,285	(12,199)	32,086	0.335870	0.664130	10,777	\$21,309
11	2110.900	General Purpose Computers	467,725	(127,315)	340,410	1,280	341,690	(127,206)	214,484	0.335870	0.664130	72,039	\$142,445
12		Total General Support Facilities	5,330,649	(1,688,336)	3,642,313	30,276	3,672,589	(1,139,350)	2,533,239			850,839	1,682,400
13	2210.200	Digital Electronic Switching	2,325,834	(1,483,127)	842,707		842,707	0	842,707	0.781958	0.218042	658,961	183,746
14	2210.200.5	Digital Electronic Switching - O&W	112,854	(89,738)	23,116		23,116	0	23,116	0.781958	0.218042	18,076	5,040
15	2230.300	Circuit Equipment	988,040		988,040	6,326	994,366	0	994,366	0.585111	0.414889	581,814	412,552
16	2230.300.5	Circuit Equipment - O&W	123,535		123,535		123,535	0	123,535	0.585111	0.414889	72,282	51,253
17	2230.400	Subscriber Carrier Equipment	2,287,865	1,418,685	3,706,550	246,715	3,953,265	316	3,953,581	0.585111	0.414889	2,313,284	1,640,297
18	2230.400.5	Subscriber Carrier Equipment - O&W	1,509,186	89,738	1,598,924	50,493	1,649,417	(1)	1,649,416	0.585111	0.414889	965,091	684,325
19	2230.500	Toll Carrier Equipment	999,180		999,180		999,180	0	999,180	0.585111	0.414889	584,631	414,549
20	2230.500.5	Toll Carrier Equipment - O&W	128,664		128,664		128,664	0	128,664	0.585111	0.414889	75,283	53,381
21	2230.600	Lightwave Equipment	451,905		451,905		451,905	0	451,905	0.585111	0.414889	264,415	187,490
22		Total Central Office Equipment	8,927,063	(64,442)	8,862,621	303,534	9,166,155	315	9,166,470			5,533,837	3,632,633
23	2351	Public Telephone Equipment	0		0		0	0	0			0	0
24		Total Info Orig/Term Equipment	0	0	0	0	0	0	0			0	0
25	2410.000	Aerial Cable	94,235		94,235		94,235	0	94,235	0.277394	0.722606	26,140	68,095
26	2410.200	Buried Cable	21,242,294	(439,463)	20,802,831	15,386	20,818,217	(1,760)	20,816,457	0.277394	0.722606	5,774,360	15,042,097
27	2410.200.5	Buried Cable - O&W	853,460	(56,984)	796,476	2,783	799,259	0	799,259	0.277394	0.722606	221,710	577,549
28	2410.210	Buried Cable - Fiber	9,700,590		9,700,590	576,871	10,277,461	(40,399)	10,237,062	0.277394	0.722606	2,839,700	7,397,362
29	2410.210.5	Buried Cable - Fiber - O&W	8,736,717		8,736,717		8,736,717	0	8,736,717	0.277394	0.722606	2,423,513	6,313,204
30	2410.300	Buried Cable Drops & Protectors	290,138		290,138	14,858	304,996	1,105	306,101	0.277394	0.722606	84,911	221,190
31	2410.300.5	Buried Cable Drops & Protectors - O&W	268,227		268,227	8,042	276,269	(1,221)	275,048	0.277394	0.722606	76,297	198,751
32		Total Cable and Wire Facilities	41,185,661	(496,447)	40,689,214	617,940	41,307,154	(42,275)	41,264,879			11,446,630	29,818,249
33	2681	Capitalized Lease	3,268,975	(118,664)	3,150,311		3,150,311	(445,163)	2,705,148	0.335870	0.664130	908,578	1,796,570
34	2690	Intangibles Organization	1,104		1,104		1,104	0	1,104	0.335870	0.664130	371	733
35		Gross Telephone Plant	58,713,452	(2,367,889)	56,345,563	951,750	57,297,313	(1,626,473)	55,670,840			18,740,255	36,930,585
36	3100	Accumulated Depreciation	(40,157,379)	2,026,123	(38,131,256)	276,372	(37,854,884)	(1,906,634)	(39,761,518)	0.346065	0.653935	(13,760,070)	(26,001,448)
37	3400	Accumulated Amortization	(1,345,231)	43,718	(1,301,513)		(1,301,513)	0	(1,301,513)	0.335870	0.664130	(437,139)	(864,374)
38		Net Telephone Plant	17,210,842	(298,048)	16,912,794	1,228,122	18,140,916	(3,533,107)	14,607,809			4,543,046	10,064,763
39	1220	Materials and Supplies	51,694		51,694		51,694	(3,938)	47,756	0.277394	0.722606	13,247	34,509
40	1402	RTB Stock	0		0		0	0	0	0.335870	0.664130	0	0
41	1403	Goodwill	0		0		0	0	0	0.000000	1.000000	0	0
42	1410	Other Noncurrent Asset	2,029,010	(532,615)	1,496,395		1,496,395	0	1,496,395	0.452425	0.547575	677,007	819,388
43	2003	TPUC - Short Term	41,840		41,840	8,093	49,933	(49,933)	0	0.335870	0.664130	0	0
44	2005	Telecommunications Plant Adjustment	140,872		140,872		140,872	0	140,872	0.335870	0.664130	47,315	93,557
45	4040	Customer Deposits	(31,766)		(31,766)		(31,766)	0	(31,766)	0.335870	0.664130	(10,669)	(21,097)
46	MISC	Other Credit Accounts	0		0		0	0	0	0.335870	0.664130	0	0
47		Net Investment	19,442,492	(830,663)	18,611,829	1,236,215	19,848,044	(3,586,978)	16,261,066			5,269,945	10,991,121
48		Cash Working Capital	247,363		247,363		247,363	(51,241)	196,103			89,775	106,328
49		Total Rate Base	\$19,689,855	(\$830,663)	\$18,859,192	\$1,236,215	\$20,095,407	(\$3,638,219)	\$16,457,169			\$5,359,720	\$11,097,449

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
STAFF ADJUSTMENTS TO RATE BASE
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule A_2

Line No.	Acct	Description	A Applicant Pro Forma Rate Base	B Staff Adjustment No. 1	C Staff Adjustment No. 2	D Staff Adjustment No. 3	E Staff Adjustment No. 4	F Staff Adjustment No. 5	G Staff Adjustment No. 6	H Staff Adjustment No. 7	I Total Staff Adjustments	J Staff Adjusted Rate Base
1	2110.000	Land	\$47,705	(\$7,441)							(\$7,441)	\$40,264
2	2110.000.5	Land - O&W	4,731	(738)							(738)	3,993
3	2110.100	Motor Vehicles	479,637	(129,846)							(129,846)	349,791
4	2110.100.5	Motor Vehicles - O&W	0								0	0
5	2110.500	Other Work Equipment	1,223,920	(565,251)		12,673					(552,578)	671,342
6	2110.600	Buildings	1,160,412	(172,149)		7,488					(164,661)	995,751
7	2110.600.5	Buildings - O&W	0								0	0
8	2110.800	Office Equipment	55,233	(20,905)							(20,905)	34,328
9	2110.850	Company Communications Equipment	314,976	(123,776)							(123,776)	191,200
10	2110.850.5	Company Communications Equipment - O&W	44,285	(12,199)							(12,199)	32,086
11	2110.900	General Purpose Computers	341,690	(128,840)		1,634					(127,206)	214,484
12		Total General Support Facilities	3,672,589	(1,161,145)	0	21,795	0	0	0	0	(1,139,350)	2,533,239
13	2210.200	Digital Electronic Switching	842,707								0	842,707
14	2210.200.5	Digital Electronic Switching - O&W	23,116								0	23,116
15	2230.300	Circuit Equipment	994,366								0	994,366
16	2230.300.5	Circuit Equipment - O&W	123,535								0	123,535
17	2230.400	Subscriber Carrier Equipment	3,953,265			316					316	3,953,581
18	2230.400.5	Subscriber Carrier Equipment - O&W	1,649,417			(1)					(1)	1,649,416
19	2230.500	Toll Carrier Equipment	999,180								0	999,180
20	2230.500.5	Toll Carrier Equipment - O&W	128,664								0	128,664
21	2230.600	Lightwave Equipment	451,905								0	451,905
22		Total Central Office Equipment	9,166,155	0	0	315	0	0	0	0	315	9,166,470
23	2351	Public Telephone Equipment	0								0	0
24		Total Info Orig/Term Equipment	0	0	0	0	0	0	0	0	0	0
25	2410.000	Aerial Cable	94,235								0	94,235
26	2410.200	Buried Cable	20,818,217			(1,760)					(1,760)	20,816,457
27	2410.200.5	Buried Cable - O&W	799,259								0	799,259
28	2410.210	Buried Cable - Fiber	10,277,461			(40,399)					(40,399)	10,237,062
29	2410.210.5	Buried Cable - Fiber - O&W	8,736,717								0	8,736,717
30	2410.300	Buried Cable Drops & Protectors	304,996			1,105					1,105	306,101
31	2410.300.5	Buried Cable Drops & Protectors - O&W	276,269			(1,221)					(1,221)	275,048
32		Total Cable and Wire Facilities	41,307,154	0	0	(42,275)	0	0	0	0	(42,275)	41,264,879
33	2681	Capitalized Lease	3,150,311		(445,163)						(445,163)	2,705,148
34	2690	Intangibles Organization	1,104								0	1,104
35		Gross Telephone Plant	57,297,313	(1,161,145)	(445,163)	(20,165)	0	0	0	0	(1,626,473)	55,670,840
36	3100	Accumulated Depreciation	(37,854,884)	1,124,496	(292,104)		(2,739,026)				(1,906,634)	(39,761,518)
37	3400	Accumulated Amortization	(1,301,513)								0	(1,301,513)
38		Net Telephone Plant	18,140,916	(36,649)	(737,267)	(20,165)	(2,739,026)	0	0	0	(3,533,107)	14,607,809
39	1220	Materials and Supplies	51,694						(3,938)		(3,938)	47,756
40	1402	RTB Stock	0								0	0
41	1403	Goodwill	0								0	0
42	1403	Accumulated Amort-Goodwill	1,496,395								0	1,496,395
43	2003	TPUC - Short Term	49,933				(49,933)				(49,933)	0
44	2005	Telecommunications Plant Adjustment	140,872								0	140,872
45	4040	Customer Deposits	(31,766)								0	(31,766)
46	MISC	Other Credit Accounts	0								0	0
47		Net Investment	19,848,044	(36,649)	(737,267)	(20,165)	(2,739,026)	(49,933)	(3,938)	0	(3,586,978)	16,261,066
48		Cash Working Capital	247,363							(51,241)	(51,241)	196,122
49		Total Rate Base	\$20,095,407	(\$36,649)	(\$737,267)	(\$20,165)	(\$2,739,026)	(\$49,933)	(\$3,938)	(\$51,241)	(\$3,638,219)	\$16,457,188

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
STAFF CASH WORKING CAPITAL AS ADJUSTED
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule A_3

Line No.	Description	A Applicant Proforma Balance	B Staff Adjustments	C Staff Adjusted Balance	D Interstate	E Intrastate
***	*****	*****	*****	*****	*****	*****
1	Total Operating Expenses	\$9,562,721	(\$2,401,011)	\$7,161,710	\$3,070,521	\$4,091,189
2	Less: Depreciation and Amortization Expenses	3,713,240	(1,085,964)	2,627,276	962,936	1,664,340
3	Net Cash Expense before taxes	5,849,481	(1,315,047)	4,534,434	2,107,585	2,426,849
4	Federal Income Taxes	0				
5	State Income Taxes	0				
6	Interest Expense (from Schedule B-4-1)	169,241 a	68,171	237,412	76,941	160,470
7	Total Cash Expenses	6,018,722	(1,246,876)	4,771,846	2,184,526	2,587,319
8	Staff Adjusted Cash Working Capital for O&M Operations (15 days) (total cash expense * .041096) (15 days / 365 days)	\$247,345	(\$51,241)	\$196,103	\$89,775	\$106,328

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
EXPLANATION OF STAFF ADJUSTMENTS TO RATE BASE
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule A_4
Page 1 of 1

LINE NO.	DESCRIPTION	INCREASE / (DECREASE) TO RATE BASE
****	*****	*****
	<u>STAFF ADJUSTMENT NO. 1</u> (Diggs)	
1	Land	(7,441)
2	Land - O&W	(738)
3	Motor Vehicles	(129,846)
4	Other Work Equipment	(565,251)
5	Buildings	(172,149)
6	Office Equipment	(20,905)
7	Company Communications Equipment	(123,776)
8	Company Communications Equipment - O&W	(12,199)
9	General Purpose Computers	(128,840)
10	Accumulated Depreciation	1,124,496
11	To Reflect Staff's Adjustment to General Support Facility and Depreciation Reserve Adjustment	
	<u>STAFF ADJUSTMENT NO. 2</u> (Diggs)	
12	Capitalized Lease	(445,163)
13	Accumulated Depreciation	(292,104)
14	To Reflect Staff's Adjustment to Capitalized Building Lease and Amortization Reserve Adjustment	
	<u>STAFF ADJUSTMENT NO. 3</u> (Luke Fry)	
15	Other Work Equipment	12,673
16	Buildings	7,488
17	General Purpose Computers	1,634
18	Subscriber Carrier Equipment	316
19	Subscriber Carrier Equipment - O&W	(1)
20	Buried Cable	(1,760)
21	Buried Cable - Fiber	(40,399)
22	Buried Cable Drops & Protectors	1,105
23	Buried Cable Drops & Protectors - O&W	(1,221)
24	To Reflect Staff's Adjustment to Update Plant-in-Service	
	<u>STAFF ADJUSTMENT NO. 4</u> (Luke Fry)	
25	Accumulated Depreciation	(2,739,026)
26	To Reflect Staff's Adjustment to Update Accumulated Depreciation	
	<u>STAFF ADJUSTMENT NO. 5</u> (Luke Fry)	
27	TPUC - Short Term	(49,933)
28	To Reflect Staff's Adjustment to Remove Telephone Plant Under Construction	
	<u>STAFF ADJUSTMENT NO. 6</u> (Luke Fry)	
29	Materials and Supplies	(\$3,938)
30	To Reflect Staff's Adjustment to Normalize Materials and Supplies	
	<u>STAFF ADJUSTMENT NO. 7</u> (Luke Fry)	
31	Cash Working Capital	(51,241)
32	To Reflect the Net Effect of Staff Adjustments to Cash Working Capital	

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
STAFF ADJUSTED AND PRO FORMA OPERATING INCOME STATEMENT
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule B_1

Line No.	Acct. No.	Description	A Applicant Book Balance	B Applicant Cost Study Adjustments	C Applicant Cost Study Balance	D Applicant Proforma Adjustments	E Applicant Proforma Balance	F Staff Adjustments	G Staff Adjusted Balance	H /--- Allocation ---/ Interstate	I Intrastate	J Staff Adjusted Interstate Inc. Statement	K Staff Adjusted Intrastate Inc. Statement	L Staff Pro Forma Adjustments	M Staff Pro Forma Adjusted Intrastate
Operating Revenues															
1	5001	Local Network Services Revenues	\$1,174,712		\$1,174,712		\$1,174,712	\$47,528	\$1,222,240			\$0	\$1,222,240		\$1,222,240
2		Federal High Cost Loop Support	2,792,544		2,792,544	(609,492)	2,183,052	0	2,183,052			0	2,183,052		\$2,183,052
3		Kansas Universal Service Support	673,190		673,190	(49,973)	623,217	(552)	622,665			0	622,665	\$439,310	\$1,061,975
4	5080	Network Access Revenue	5,668,126		5,668,126		5,668,126	51,630	5,719,756			5,534,074	185,682		\$185,682
5	5100	Long Distance Network Service Rev	0		0		0	0	0			0	0		\$0
6	5270	Billing and Collection	63,474		63,474		63,474	0	63,474			16,764	46,710		\$46,710
7	5270	Misc Revenue	192,766		192,766		192,766	0	192,766			0	192,766		\$192,766
8	5280	Non-regulated Revenue	10,108,468	(10,108,468)	0		0	0	0			0	0		\$0
9	5300	Uncollectible Revenue	0		0		0	0	0			0	0		\$0
10		Total Revenues	20,673,280	(10,108,468)	10,564,812	(659,465)	9,905,347	98,606	10,003,953			5,550,838	4,453,115	439,310	4,892,425
Plant Specific Operations Expenses															
11	6110	Network Support Expense	2,599	(780)	1,819		1,819	(1,025)	794	0.335870	0.664130	267	527		527
12	6120	General Support Expense	653,482	(183,740)	469,742		469,742	(305,043)	164,699	0.335870	0.664130	55,317	109,382		109,382
13	6210	Central Office Switching Expense	328,934	(1,632)	327,302		327,302	(19,566)	307,736	0.604342	0.395658	185,978	121,758		121,758
14	6230	Central Office Transmission Expense	1,146,494	(1,179)	1,145,315		1,145,315	(75,458)	1,069,857	0.604342	0.395658	646,560	423,297		423,297
15	6310	Information Orig/Term Expense	0	0	0		0	0	0	1.000000	0.000000	0	0		0
16	6410	Cable and Wire Facilities Exp	889,231	(7,461)	881,770		881,770	(122,569)	759,201	0.277394	0.722606	210,598	548,603		548,603
17		Total Plant Specific Operations Exp.	3,020,740	(194,792)	2,825,948	0	2,825,948	(523,661)	2,302,287			1,098,719	1,203,568	0	1,203,568
Plant Non-Specific Operations Expense															
18	6510	Other Plant Expense	0	0	0		0	0	0	0.355870	0.644130	0	0		0
19	6530	Network Operations Expense	131,946	0	131,946		131,946	157,979	289,925	0.335870	0.664130	97,377	192,548		192,548
20	6540	Access Expense	170,403	(79,176)	91,227		91,227	0	91,227	1.000000	0.000000	91,227	0		0
21	6560	Depreciation & Amortization	2,829,701	(110,081)	2,719,620	993,620	3,713,240	(1,085,964)	2,627,276	0.366515	0.633485	962,936	1,664,340		1,664,340
22	6565	Amort of Plant Acquisition Adjustment	0	0	0		0	0	0	0.335870	0.664130	0	0		0
23		Total Plant Non-Specific Operations Exp.	3,132,050	(189,257)	2,942,793	993,620	3,936,413	(927,985)	3,008,428			1,151,540	1,856,888	0	1,856,888
Customer Operations Expense															
24	6610	Marketing Expense	214,749	6,697	221,446		221,446	(111,663)	109,783	0.194442	0.805558	21,346	88,437		88,437
25	6620	Directory Expense	21,322		21,322		21,322	(6,791)	14,531	0.227897	0.772103	3,312	11,219		11,219
26	6620	Services Expense	577,212	40,712	617,924		617,924	(106,808)	511,116	0.465237	0.534763	237,790	273,326		273,326
27		Total Customer Operations Expense	813,283	47,409	860,692	0	860,692	(225,262)	635,430			262,448	372,982	0	372,982
Corporate Operations Expense															
28	6710	Executive and Planning Exp	252,989		252,989		252,989	(185,465)	67,524	0.452425	0.547575	30,550	36,974		36,974
29	6720	General and Administrative Exp	1,488,021	(49,581)	1,438,440		1,438,440	(499,262)	939,178	0.494299	0.505701	464,235	474,943		474,943
30	6720	General and Administrative Exp (KUSF Audit)	0		0	30,000	30,000	(8,831)	21,169	0.000000	1.000000	0	21,169		21,169
31		Total Corporate Operations Expense	1,741,010	(49,581)	1,691,429	30,000	1,721,429	(693,558)	1,027,871			494,784	533,087	0	533,087
Operating Taxes & Other Operating Expenses															
32	7210	Amortization of ITC	0		0		0	0	0			0	0		0
33	7220	Operating Federal Income Taxes	0		0		0	0	0			0	0		0
34	7230	Operating State Income Taxes	0		0		0	0	0			0	0		0
35	7240	Other Operating Taxes	226,453	(8,729)	217,724		217,724	(30,545)	187,179	0.335870	0.664130	62,868	124,311		124,311
36	7250	Deferred Operating Income Taxes	0		0		0	0	0			0	0		0
37	7340	Allow. for Funds Used During Const.	0		0		0	0	0			0	0		0
38	7370	Contributions and Fees	0		0		0	0	0			0	0		0
39	5240	Rent Revenue	0		0		0	0	0			0	0		0
40	7500	Interest on Customer Deposits	0	515	515		515	0	515	0.313616	0.686384	162	353		353
41		Total Oper. Taxes & Other Oper. Exp.	226,453	(8,214)	218,239	0	218,239	(30,545)	187,694			63,029	124,665	0	124,665
42		Total Operating Expenses	8,933,536	(394,435)	8,539,101	1,023,620	9,562,721	(2,401,011)	7,161,710			3,070,521	4,091,189	0	4,091,189
43		Net Operating Income	\$11,739,744	(\$9,714,033)	\$2,025,711	(\$1,683,085)	\$342,626	\$2,499,617	\$2,842,243			\$2,480,317	\$361,926	\$439,310	\$801,236

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
STAFF ADJUSTMENTS TO INCOME STATEMENT
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule B_2
Page 1 of 2

Line No.	Acct. No.	Description	A Applicant Proforma Inc. Statement	B Staff Adjustment No. 1	C Staff Adjustment No. 2	D Staff Adjustment No. 3	E Staff Adjustment No. 4	F Staff Adjustment No. 5	G Staff Adjustment No. 6	H Staff Adjustment No. 7	I Staff Adjustment No. 8	J Staff Adjustment No. 9

		<u>Operating Revenues</u>										
1	5001	Local Network Services Revenues	\$1,174,712	47,528								
2		Federal High Cost Loop Support	2,183,052									
3		Kansas Universal Service Support	623,217	(552)								
4	5080	Network Access Revenue	5,668,126	1,657	49,973							
5	5100	Long Distance Network Service Rev	0									
6	5270	Billing and Collection	63,474									
7	5270	Misc Revenue	192,766									
8	5280	Non-regulated Revenue	0									
9	5300	Uncollectible Revenue	0									
10		Total Revenues	9,905,347	48,633	49,973	0	0	0	0	0	0	0
		<u>Plant Specific Operations Expenses</u>										
11	6110	Network Support Expense	1,819									
12	6120	General Support Expense	469,742									
13	6210	Central Office Switching Expense	327,302									
14	6230	Central Office Transmission Expense	1,145,315					(9,675)				
15	6310	Information Orig/Term Expense	0									
16	6410	Cable and Wire Facilities Exp	881,770									
17		Total Plant Specific Operations Exp.	2,825,948	0	0	0	0	(9,675)	0	0	0	0
		<u>Plant Non-Specific Operations Expense</u>										
18	6510	Other Plant Expense	0									
19	6530	Network Operations Expense	131,946									
20	6540	Access Expense	91,227									
21	6560	Depreciation & Amortization	3,713,240									(1,055,957)
22	6565	Amort of Plant Acquisition Adjustment	0									
23		Total Plant Non-Specific Operations Exp.	3,936,413	0	0	0	0	0	0	0	0	(1,055,957)
		<u>Customer Operations Expense</u>										
24	6610	Marketing Expense	221,446					(17,511)	(2,269)	(6,513)		
25	6620	Directory Expense	21,322					(6,736)		(55)		
26	6620	Services Expense	617,924							(24)		
27		Total Customer Operations Expense	860,692	0	0	0	0	(24,247)	(2,269)	(6,592)	0	0
		<u>Corporate Operations Expense</u>										
28	6710	Executive and Planning Exp	252,989									
29	6720	General and Administrative Exp	1,438,440					(2,637)	(68,454)	(5,276)	(75)	
30	6720	General and Administrative Exp (KUSF Aud	30,000			(8,831)						
31		Total Corporate Operations Expense	1,721,429	0	0	(8,831)	0	(2,637)	(68,454)	(5,276)	(75)	0
		<u>Operating Taxes & Other Operating Expenses</u>										
32	7210	Amortization of ITC	0									
33	7220	Operating Federal Income Taxes	0									
34	7230	Operating State Income Taxes	0									
35	7240	Other Operating Taxes	217,724				(30,545)					
36	7250	Deferred Operating Income Taxes	0									
37	7340	Allow. for Funds Used During Const.	0									
38	7370	Contributions and Fees	0									
39	5240	Rent Revenue	0									
40	7500	Interest on Customer Deposits	515									
41		Total Oper. Taxes & Other Oper. Exp.	218,239	0	0	0	(30,545)	0	0	0	0	0
42		Total Operating Expenses	9,562,721	0	0	(8,831)	(30,545)	(36,559)	(70,723)	(11,868)	(75)	(1,055,957)
43		Net Operating Income	\$342,626	\$48,633	\$49,973	\$8,831	\$30,545	\$36,559	\$70,723	\$11,868	\$75	\$1,055,957

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
STAFF ADJUSTMENTS TO INCOME STATEMENT
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule B_2
Page 2 of 2

Line No.	Acct. No.	Description	K Staff Adjustment No. 10	L Staff Adjustment No. 11	M Staff Adjustment No. 12	N Staff Adjustment No. 13	O Staff Adjustment No. 14	P Staff Adjustment No. 15	Q Staff Adjustment No. 16	R Total Staff Adjustments	S Staff Adj. Income Statement

		<u>Operating Revenues</u>									
1	5001	Local Network Services Revenues								\$47,528	\$1,222,240
2		Federal High Cost Loop Support								0	2,183,052
3		Kansas Universal Service Support								(552)	622,665
4	5080	Network Access Revenue								51,630	5,719,756
5	5100	Long Distance Network Service Rev								0	0
6	5270	Billing and Collection								0	63,474
7	5270	Misc Revenue								0	192,766
8	5280	Non-regulated Revenue								0	0
9	5300	Uncollectible Revenue								0	0
10		Total Revenues	0	0	0	0	0	0	0	98,606	10,003,953
		<u>Plant Specific Operations Expenses</u>									
11	6110	Network Support Expense		(29)	(996)					(1,025)	794
12	6120	General Support Expense			(247,708)		(26,311)	(31,024)		(305,043)	164,699
13	6210	Central Office Switching Expense					(8,707)	(10,859)		(19,566)	307,736
14	6230	Central Office Transmission Expense		(821)			(15,487)	(49,039)	(436)	(75,458)	1,069,857
15	6310	Information Orig/Term Expense								0	0
16	6410	Cable and Wire Facilities Exp					(63,604)	(58,965)		(122,569)	759,201
17		Total Plant Specific Operations Exp.	0	(850)	(248,704)	0	(114,109)	(149,887)	(436)	(523,661)	2,302,287
		<u>Plant Non-Specific Operations Expense</u>									
18	6510	Other Plant Expense								0	0
19	6530	Network Operations Expense		(1,480)			105,997	53,462		157,979	289,925
20	6540	Access Expense								0	91,227
21	6560	Depreciation & Amortization				(30,007)				(1,085,964)	2,627,276
22	6565	Amort of Plant Acquisition Adjustment								0	0
23		Total Plant Non-Specific Operations Exp.	0	(1,480)	0	(30,007)	105,997	53,462	0	(927,985)	3,008,428
		<u>Customer Operations Expense</u>									
24	6610	Marketing Expense		(595)			(50,921)	(33,854)		(111,663)	109,783
25	6620	Directory Expense								(6,791)	14,531
26	6620	Services Expense		(42)			(20,646)	(25,438)	(60,658)	(106,808)	511,116
27		Total Customer Operations Expense	0	(637)	0	0	(71,567)	(59,292)	(60,658)	(225,262)	635,430
		<u>Corporate Operations Expense</u>									
28	6710	Executive and Planning Exp			(27,774)		(99,375)	(58,316)		(185,465)	67,524
29	6720	General and Administrative Exp	(97,325)	(3,606)	(111,317)		(110,954)	(99,148)	(470)	(499,262)	939,178
30	6720	General and Administrative Exp (KUSF Aud								(8,831)	21,169
31		Total Corporate Operations Expense	(97,325)	(3,606)	(139,091)	0	(210,329)	(157,464)	(470)	(693,558)	1,027,871
		<u>Operating Taxes & Other Operating Expenses</u>									
32	7210	Amortization of ITC								0	0
33	7220	Operating Federal Income Taxes								0	0
34	7230	Operating State Income Taxes								0	0
35	7240	Other Operating Taxes								(30,545)	187,179
36	7250	Deferred Operating Income Taxes								0	0
37	7340	Allow. for Funds Used During Const.								0	0
38	7370	Contributions and Fees								0	0
39	5240	Rent Revenue								0	0
40	7500	Interest on Customer Deposits								0	515
41		Total Oper. Taxes & Other Oper. Exp.	0	0	0	0	0	0	0	(30,545)	187,694
42		Total Operating Expenses	(97,325)	(6,573)	(387,795)	(30,007)	(290,008)	(313,181)	(61,564)	(2,401,011)	7,161,710
43		Net Operating Income	\$97,325	\$6,573	\$387,795	\$30,007	\$290,008	\$313,181	\$61,564	\$2,499,617	\$2,842,243

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
EXPLANATION OF STAFF ADJUSTMENTS TO OPERATIONS
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule B_3
Page 1 of 3

LINE NO.	DESCRIPTION	INCREASE / (DECREASE) TO OPERATIONS
*****	*****	*****
	<u>STAFF ADJUSTMENT NO. 1</u> (Campbell)	
1	Local Network Services Revenues	\$47,528
2	Kansas Universal Service Support	(552)
3	Network Access Revenue	1,657
4	To Reflect Staff's Adjustment to KUSF Support	
	<u>STAFF ADJUSTMENT NO. 2</u> (Campbell)	
5	Network Access Revenue	49,973
6	To Reverse Blue Valley's Adjustment to Intrastate Access Revenues	
	<u>STAFF ADJUSTMENT NO. 3</u> (Campbell)	
7	General and Administrative Exp (KUSF Audit)	(8,831)
8	To Reflect Staff's Adjustment to include Actual Audit Expense	
	<u>STAFF ADJUSTMENT NO. 4</u> (Campbell)	
9	Other Operating Taxes	(30,545)
10	To Reflect Staff's Adjustment to Property Taxes to Current Level	
	<u>STAFF ADJUSTMENT NO. 5</u> (Campbell)	
11	Central Office Transmission Expense	(9,675)
12	Marketing Expense	(17,511)
13	Directory Expense	(6,736)
14	General and Administrative Exp	(2,637)
15	To Reflect Staff's Adjustment to Advertising, Directory, and DSL Expense	
	<u>STAFF ADJUSTMENT NO. 6</u> (Campbell)	
16	Marketing Expense	(2,269)
17	General and Administrative Exp	(68,454)
18	To Reflect Staff's Adjustment to Dues and Donations	
	<u>STAFF ADJUSTMENT NO. 7</u> (Campbell)	
19	Marketing Expense	(6,513)
20	Directory Expense	(55)
21	Services Expense	(24)
22	General and Administrative Exp	(5,276)
23	To Reflect Staff's Adjustment to Miscellaneous Expense	

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
EXPLANATION OF STAFF ADJUSTMENTS TO OPERATIONS
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule B_3
Page 2 of 3

LINE NO.	DESCRIPTION	INCREASE / (DECREASE) TO OPERATIONS
*****		*****
	<u>STAFF ADJUSTMENT NO. 8</u> (Campbell)	
24	General and Administrative Exp	(75)
25	To Reflect Staff's Adjustment to Legal Expense	
	<u>STAFF ADJUSTMENT NO. 9</u> (Luke Fry)	
26	Depreciation & Amortization	(\$1,055,957)
27	To Reflect Staff's Adjustment to Depreciation Expense	
	<u>STAFF ADJUSTMENT NO. 10</u> (Luke Fry)	
28	General and Administrative Exp	(97,325)
29	To Reflect Staff's Adjustment to Board of Directors Expense	
	<u>STAFF ADJUSTMENT NO. 11</u> (Luke Fry)	
30	Network Support Expense	(29)
31	Central Office Transmission Expense	(821)
32	Network Operations Expense	(1,480)
33	Marketing Expense	(595)
34	Services Expense	(42)
35	General and Administrative Exp	(3,606)
36	To Reflect Staff's Adjustment to Travel and Training Expense	
	<u>STAFF ADJUSTMENT NO. 12</u> (Diggs)	
37	Network Support Expense	(996)
38	General Support Expense	(247,708)
39	Executive and Planning Exp	(27,774)
40	General and Administrative Exp	(111,317)
41	To Reflect Staff's Adjustment to GSF, Executive, and G&A Non-Regulated Expense	
	<u>STAFF ADJUSTMENT NO. 13</u> (Diggs)	
42	Depreciation & Amortization	(30,007)
43	To Reflect Staff's Adjustment to Capitalized Building Lease Expense	

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
EXPLANATION OF STAFF ADJUSTMENTS TO OPERATIONS
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule B_3
Page 3 of 3

LINE NO.	DESCRIPTION	INCREASE / (DECREASE) TO OPERATIONS
*****		*****
	<u>STAFF ADJUSTMENT NO. 14</u> (Diggs)	
44	General Support Expense	(26,311)
45	Central Office Switching Expense	(8,707)
46	Central Office Transmission Expense	(15,487)
47	Cable and Wire Facilities Exp	(63,604)
48	Network Operations Expense	105,997
49	Marketing Expense	(50,921)
50	Services Expense	(20,646)
51	Executive and Planning Exp	(99,375)
52	General and Administrative Exp	(110,954)
53	To Reflect Staff's Adjustment to Payroll Expense	
	 <u>STAFF ADJUSTMENT NO. 15</u> (Diggs)	
54	General Support Expense	(31,024)
55	Central Office Switching Expense	(10,859)
56	Central Office Transmission Expense	(49,039)
57	Cable and Wire Facilities Exp	(58,965)
58	Network Operations Expense	53,462
59	Marketing Expense	(33,854)
60	Services Expense	(25,438)
61	Executive and Planning Exp	(58,316)
62	General and Administrative Exp	(99,148)
63	To Reflect Staff's Adjustment to Employee Benefits and Payroll Tax Expense	
	 <u>STAFF ADJUSTMENT NO. 16</u> (Diggs)	
64	Central Office Transmission Expense	(436)
65	Services Expense	(60,658)
66	General and Administrative Exp	(470)
67	To Reflect Staff's Adjustment to Billing and Collection Expense	

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
INTEREST CALCULATION
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule B_4_1

LINE NO.	DESCRIPTION	A STAFF ADJUSTED	B TOTAL STAFF ADJUSTED INTERSTATE	C TOTAL STAFF ADJUSTED INTRASTATE
*****	*****	*****	*****	*****
1	RATE BASE	\$16,261,066	\$5,269,945	\$10,991,121
2	WEIGHTED COST OF DEBT (Schedule C-1)	<u>1.4600%</u>	<u>1.4600%</u>	<u>1.4600%</u>
3	INTEREST EXPENSE	<u>\$237,412</u>	<u>\$76,941</u>	<u>\$160,470</u>

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
CAPITAL STRUCTURE
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule C_1

Line No.	Description	A Applicant Per Book Balance	B Staff Adjustments	C Staff Adjusted Book Balance	D Staff Capital Structure Ratios	E Cost of Capital	F Weighted Cost of Capital
****	*****	*****	*****	*****	*****	*****	*****
1	Total Long Term Debt	\$1,182,936	\$16,851,469	\$18,034,405	40.00%	3.64%	1.46%
2	Total Common Equity	43,903,076	(16,851,469)	27,051,607	60.00%	9.60%	5.76%
3	Total Capitalization	\$45,086,012	\$0	\$45,086,012	100.00%		7.22%

Total Weighted Cost of Debt:

Long Term Debt 1.4600%

Total Cost of Debt 1.4600%

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
STAFF ADJUSTMENTS TO CAPITAL STRUCTURE
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule C_2

Line No.	Description	A Applicant Per Book Balance	B Staff Adjustment No. 1	C Total Staff Adjustments	D Staff Adjusted Capital Structure
****	*****	*****	*****	*****	*****
1	Long Term Debt	\$1,182,936	\$16,851,469	\$16,851,469	\$18,034,405
2	Common Equity	43,903,076	(16,851,469)	(16,851,469)	27,051,607
3	Total Capitalization	\$45,086,012	\$0	\$0	\$45,086,012

BLUE VALLEY TELE-COMMUNICATIONS, INC.
DOCKET NO. 20-BLVT-218-KSF
EXPLANATION OF STAFF ADJUSTMENTS TO CAPITAL STRUCTURE
FOR THE TEST YEAR ENDED DECEMBER 31, 2018

Schedule C_3

LINE NO.	DESCRIPTION	INCREASE / (DECREASE) TO CAPITAL STRUCTURE
****	*****	*****
	<u>STAFF ADJUSTMENT NO. 1</u>	
1	LONG TERM DEBT	\$16,851,469
2	COMMON EQUITY	(16,851,469)
3	To Update S&T's Capital Structure	

STATE OF KANSAS)
) ss.
COUNTY OF SHAWNEE)

VERIFICATION

Katie Figgs, being duly sworn upon her oath deposes and states that she is a Senior Auditor for the Utilities Division of the Kansas Corporation Commission of the State of Kansas, that she has read and is familiar with the foregoing *Staff Schedules*, and attests that the statements contained therein are true and correct to the best of her knowledge, information and belief.



Katie Figgs
Senior Auditor
State Corporation Commission of the
State of Kansas

Subscribed and sworn to before me this 20 day of March, 2020.



Notary Public

My Appointment Expires: 4-28-21



CERTIFICATE OF SERVICE

20-BLVT-218-KSF

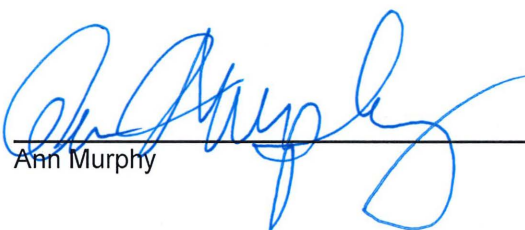
I, the undersigned, certify that a true and correct copy of the above and foregoing Staff Schedules was served via electronic service this 20th day of March, 2020, to the following:

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