

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

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

In the Matter of Wheat State Technologies)
Filing Tariff Revisions to Remove Services) Docket No. 24-WHST-898-TAR
No Longer Provided.)

ORDER APPROVING TARIFF REVISIONS

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and determination of Wheat State Technologies’ (Wheat State) request to remove certain discontinued and no longer provided services from its General Exchange Tariff. Having examined its files and record, and being duly advised in the premises, the Commission finds and concludes as follows:

1. On June 26, 2024, Wheat State filed a request for tariff revisions removing discontinued services no longer offered to customers. Specifically, Wheat State requests removal of: Ethernet Transport Service (ETS), stand-alone Caller ID Name Delivery, stand-alone Caller ID Number Delivery, and Custom Calling Feature Discount Packages (includes All Stars Pak, All Stars Plus Pak, and Get It All Pak). Wheat State indicates there is no revenue impact resulting from these changes.

2. K.S.A. 66-1,190 requires that telecommunications public utilities doing business in Kansas shall:

... publish and file with the commission copies of all schedules of rates, joint rates, tolls, charges, classifications, and divisions of rates affecting Kansas traffic, either state or interstate...and...the commission shall have power to prescribe reasonable rules and regulations regarding the form and filing of all schedules, tariffs and classifications of all rates, joint rates, tolls and charges and all rules and regulations of such telecommunications public utilities.

The Commission derives its authority to review Local Exchange Carrier tariffs from K.S.A. 66-117(d), which reads in part:

...(d) Except as provided in subsection (c), no change shall be made in any rate, toll, charge, classification or schedule of charges or joint rates, or in any rule or regulation or practice pertaining to the service or rates of any such public utility or common carrier, without the consent of the commission.

3. The Commission maintains authority to require telecommunications public utilities to maintain rates that are not unjust or unreasonably discriminatory.¹ Accordingly, the Commission conducts its investigation regarding the reasonableness of Wheat State's request to remove its tariff language regarding the discontinued services.

4. The Commission Staff (Staff) issued a Report and Recommendation dated June 26, 2024, advising the Commission to grant the tariff revisions proposed by Wheat State.

5. The Commission adopts Staff's analysis and recommendations of June 26, 2024, as stated in the Report and Recommendation, which is attached hereto and made a part hereof by reference and finds that Wheat State's request should be granted. In conjunction with the request, the Commission finds that the effective date shall be July 26, 2024.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Wheat State Technologies' request filed in this matter on June 26, 2024, is hereby granted with the effective tariff date occurring on July 26, 2024.

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).²

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

¹ K.S.A. 66-1,189.

² K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 07/16/2024



Lynn M. Retz
Executive Director

BWB

**REPORT AND RECOMMENDATION
UTILITIES DIVISION**

TO: Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Annie Kuether, Commissioner

From: Hemant Bhagat, Senior Telecommunications Analyst
Steve Garrett, Deputy Chief of Telecommunications
Jeff McClanahan, Director of Utilities

DATE: June 26, 2024

SUBJECT: Docket No. 24-WHST-898-TAR

In the Matter of Wheat State Technologies Filing Tariff Revisions to Remove Services No Longer Provided.

EXECUTIVE SUMMARY:

On June 26, 2024, Wheat State Technologies (Wheat State) filed an Application with the Kansas Corporation Commission (Commission) for revision to its General Exchange Tariff for services that are discontinued and no longer provided to the customers. The Tariff pages impacted by this revision include the following:

- Table of Content, 1st Revised Sheet 6
- Section 4, 1st Revised Sheets 4 through 7
- Section 4, 2nd Revised Sheet 8
- Section 4, 1st Revised Sheets 13 through 17

Staff recommends approval of this Application. The Commission action date is Saturday, July 26, 2024.

BACKGROUND

The Commission derives its authority to review Local Exchange Carrier tariffs from K.S.A. 66-117(d), which states in part:

(d) Except as provided in subsection (c), no change shall be made in any rate, toll, charge, classification or schedule of charges or joint rates, or in any rule or regulation or practice pertaining to the service or rates of any such public utility or common carrier, without the consent of the commission.

Pursuant to K.S.A. 66-1,189, the Commission must review rates and terms for every telecommunications public utility to ensure they are “just and reasonable” and the classifications, rules, and regulations regarding the services are not unduly discriminatory or preferential.

Additionally, K.S.A. 66-1,190 requires every public utility doing business in Kansas over which the Commission has control to publish and file with the Commission copies of all schedules of rates, joint rates, tolls, charges, classifications and divisions of rates affecting Kansas traffic, either state or interstate. The Commission has the power to prescribe reasonable rules and regulations regarding the form and filing of all schedules, tariffs and classifications of all rates, joint rates, tolls and charges, and all rules and regulations of such telecommunications public utilities as the Commission determines reasonable and appropriate.

Because telecommunications providers must constantly adapt to consumer needs, the Commission determined in Docket No. 04-GIMT-1080-GIT that rate changes made by telecommunications providers, would not be audited for their justness and reasonableness unless the changes result in the provider receiving “materially greater revenue” than its rate-of-return would necessitate.¹

ANALYSIS:

Wheat State’s revisions to its Local Exchange tariff reflect the removal of services that are no longer offered to local telephone service subscribers and for which the Company currently does not have any customers.

The discontinued services no longer offered to the customers include the following:

- Ethernet Transport Service (ETS)
- stand-alone Caller ID Name Delivery
- stand-alone Caller ID Number Delivery
- Custom Calling Feature Discount Packages (includes All Stars Pak, All Stars Plus Pak, and Get It All Pak).

The Company indicates there is no revenue impact resulting from these changes.

¹ Prior to 2004, if a rate of return carrier asked for an increase in revenue outside a rate case, the Commission policy was to adjust the amount received for an increased rate by a corresponding decrease in draw from the KUSF, pursuant to K.S.A. 66-2005(d). However, in *Rural Telephone Service Co. v. Kansas Corporation Commission*, 31 Kan. App. 2d 760, 72 P.3d 937 (2003), the Kansas Court of Appeals held that the Commission did not have statutory authority to reduce Rural's KUSF distribution in response to increased revenue from modifications to tariff filings (Docket No. 02-RRLT-875-TAR). The Court reversed the Order reducing Rural's KUSF support, but it remanded the matter to enable the Commission to determine the reasonableness of the proposed tariff changes in light of the Court's decision to disallow a contemporaneous reduction of KUSF support, 31 Kan. App. 2d at 770. On June 4, 2004, the Commission opened a generic docket to address Staff's proposal to address tariff increases between KUSF audits. In an Order dated September 28, 2004, in that Docket (04-GIMT-1080-GIT), the Commission stated, “Staff will continue to conduct an individual evaluation of any proposed tariff revision made by a rate-of-return regulated company affecting its revenues to determine the reasonableness of the proposed rates. If Staff evaluates information indicating that a rate-of-return regulated carrier is receiving materially greater revenue than its authorized cost recovery and rate of return would necessitate, the Commission will consider whether to conduct an audit.”

RECOMMENDATION:

Staff recommends the Commission accept Wheat State's revised tariff to remove services that are discontinued and no longer provided to customers with an effective date of July 26, 2024, as requested by the Company.

CERTIFICATE OF SERVICE

24-WHST-898-TAR

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of electronic service on 07/16/2024.

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