

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of the Application of)
Lifeline Phone Service, Inc. for a)
Certificate of Convenience and)
Authority to Provide Local Exchange) Docket No. 12-LLPT-714-COC
Telecommunications Service on a)
Resold Basis Within the State of)
Kansas)

Received
on
JUN 26 2012
by
State Corporation Commission
of Kansas

REPLY OF STAFF TO PETITION FOR RECONSIDERATION

COMES NOW Staff ("Staff") of the State Corporation Commission of the State of Kansas ("Commission") and in Reply to the Petition for Reconsideration filed by Lifeline Phone Service, Inc. ("Lifeline") states as follows:

1. Lifeline filed its unverified Petition for Reconsideration on June 21, 2012. The Petition is signed by "Rick Laham, Applicant". However, On March 23, 2012, Lifeline filed its Application wherein it stated it was the Applicant, and the pleading was signed and verified by Paul H. Gardner, attorney for Lifeline. Attorney Gardner still is listed as attorney of record.

2. K.A.R. 82-1-228(d)(2) provides "a corporation shall not be permitted to enter an appearance, except by its attorney." In addition, K.A.R. 82-1-219(g) requires "all pleadings shall be verified by the party or the party's attorney . . .". It is clear that the Petition for Reconsideration fails several requirements. First, it claims to be from a different Applicant, next it appears to be an entry of appearance of a corporation without legal counsel, even though the original Application was signed by corporate counsel, and finally the pleading is not verified as required by Commission regulations. The pleading should be dismissed as an improper filing from an incorrect party.

3. Even if the pleading were to meet the requirements of a proper filing, it fails for several reasons. First, it claims some violation of an unstated “reasonable limitation period” and “circumvents this Commission’s own rules”. . . . Nowhere does the Petition cite to any statutory limitation or Commission rule citing a limitation on evidentiary history. None exist! The Commission looks at a number of factors in determining whether a particular application is consistent with the public interest. The factors include but are not limited to the provider’s technical, managerial, and financial capabilities. It is reasonable for Staff and the Commission to review all aspects of an applicant’s technical, managerial, and financial capabilities to get a full picture of the Applicant. It is not material if the information occurred two (2) or twenty (20) years ago. Certainly past behavior is an indicator of future behavior.

4. Mr. Laham cannot seriously argue such a limitation where he lists managerial experience beyond the past five (5) years and repeatedly refers to his “long history” of working with the lifeline program.

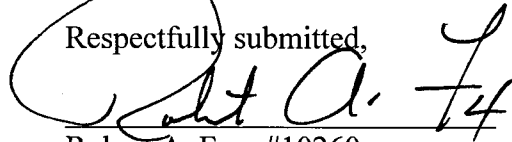
5. Furthermore, it seems disingenuous for Mr. Laham to argue against looking at history beyond a certain timeline. The Application requests information regarding enforcement proceedings, etc., that occurred within the last five (5) years and the Application failed to disclose all of those events, including failure to pay state taxes. Upon discovering the failure, of course Staff will dig to determine what wasn’t disclosed and possible why. Mr. Laham can only blame himself for the inadequacy of the Application causing deeper investigation by Staff.

6. Finally, Mr. Laham suggests the Commission’s Order was “threatening” and “ham fisted” by making clear that operating without a certificate, which Mr. Laham had admitted to doing, could result in sanctions. Mr. Laham engages in threatening and ham fisted tactics by suggesting “ tactics like these would not be well received in a court of appeals, which under the

present circumstances may be inevitable". A threatened appeal of an order that is fully sustainable in all respects is hardly a reason to overturn it.

WHEREFORE, having fully responded to the pleading of Mr. Laham, Staff respectfully requests the Commission either dismiss or deny the Petition for Reconsideration of Lifeline.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Robert A. Fox", written over a horizontal line.

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CERTIFICATE OF SERVICE

12-LLPT-714-COC

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing Reply of Staff to Petition for Reconsideration was placed in the United States mail, postage prepaid, or hand-delivered this 26th day of June, 2012, to the following:

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