

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

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

NOTIFICATION OF ALLOCATION METHODOLOGY USED BY CABLE ONE, INC.

COMES NOW Cable One, Inc. (“Cable One”), to notify the State Corporation Commission of the State of Kansas (“Commission”) of the methodology used by Cable One to allocate revenue to Kansas for purposes of the Kansas Universal Service Fund (“KUSF”) from January 1, 2019 to December 31, 2019. Cable One states as follows:

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 [Voice over Internet Protocol] service, as defined by 47 C.F.R. 9.3, to contribute to the KUSF based upon the provider’s intrastate telecommunications services net retail revenues on an equitable and nondiscriminatory basis. The commission shall not require any provider to contribute to the KUSF under a different contribution methodology than such provider uses for purposes of the federal universal service fund, including for bundled offerings.”

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”) service providers have three options for identifying their Kansas intrastate retail revenues. First, a provider may utilize the Federal Communications Commission

(“FCC”) safe harbor percentages to allocate intrastate and interstate Kansas revenues. Second, a provider may utilize a traffic study to determine revenue allocations between jurisdictions. If the provider uses the traffic study methodology, it must provide the jurisdictional percentages (also known as the “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 provider may directly assign revenue between jurisdictions. If the 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 or Federal Universal Service Fund (“FUSF”) remittance purposes.

3. Each monthly Carrier Remittance Worksheet submitted by Cable One notifies the Commission and the KUSF Administrator that Cable One uses a traffic study to determine its KUSF contribution obligations. The form asks for the “Reporting Basis” for the submission, and Cable One has listed “Study” on each of its monthly filings for calendar year 2019. Further, each of these monthly filings is submitted under the penalty of perjury and confirms Cable One uses the same methodology to contribute to the KUSF that it uses for FUSF contribution purposes.

4. Cable One hereby notifies the Commission that it uses a traffic study methodology to allocate intrastate revenue for KUSF purposes (and inversely, for FUSF purposes). Detailed information regarding Cable One’s traffic study methodology can be found in the **CONFIDENTIAL** Affidavit of Raymond L. Storck, Jr., Vice President of Finance and Treasurer for Cable One, which is attached.¹ Cable One has used this traffic study methodology

¹ Cable One requests confidential treatment of the Confidential Affidavit pursuant to K.S.A. 66-1220a, which states the Commission “shall not disclose to or allow inspection by anyone, including, but not limited to,

for allocation of intrastate revenue for KUSF purposes from January 1, 2019 to December 31, 2019.

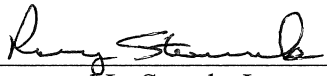
CONCLUSION

WHEREFORE, Cable One respectfully submits this Notice of Allocation Methodology and supporting Confidential Affidavit setting forth the allocation methodology used by Cable One for KUSF purposes from January 1, 2019 to December 31, 2019.

Respectfully submitted,

CABLE ONE, INC.

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Raymond L. Storck, Jr.
Vice President of Finance and
Treasurer
Cable One, Inc.
210 E. Earll Drive
Phoenix, Arizona 85012

Dated: February 10, 2020

parties to a regulatory proceeding before the commission, any information which is a trade secret under the uniform trade secrets act (K.S.A. 60-3320 et seq., and amendments thereto) or any confidential commercial information of a corporation.” The information contained in the Confidential Affidavit is not routinely made available for public disclosure, and Cable One takes efforts to maintain its confidentiality. The Confidential Affidavit contains proprietary, sensitive, commercial, and financial information that is not publicly available and, if released, could be used by Cable One’s competitors to cause competitive harm. The potential harm to Cable One is substantial, and the need for proprietary protection of the Confidential Affidavit outweighs any need for public disclosure at this time. As such, the Confidential Affidavit falls within K.S.A. 66-1220a, contains “trade secrets” as defined in K.S.A. 60-3320, and is therefore exempt from public disclosure. Cable One provides this explanation in accordance with the requirements of K.A.R. 82-1-221a.

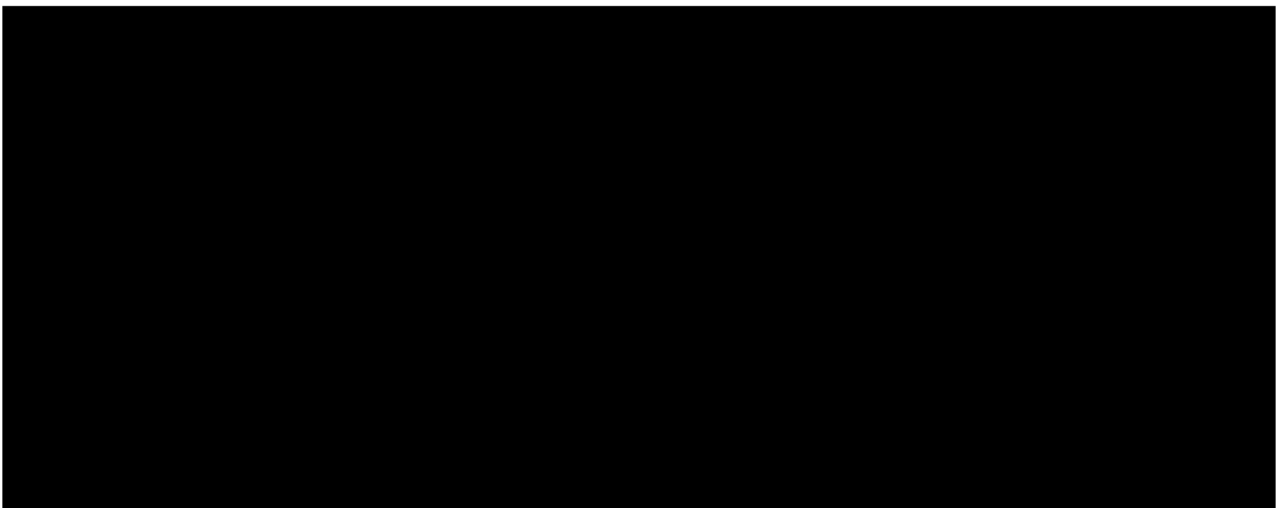
CONFIDENTIAL AFFIDAVIT

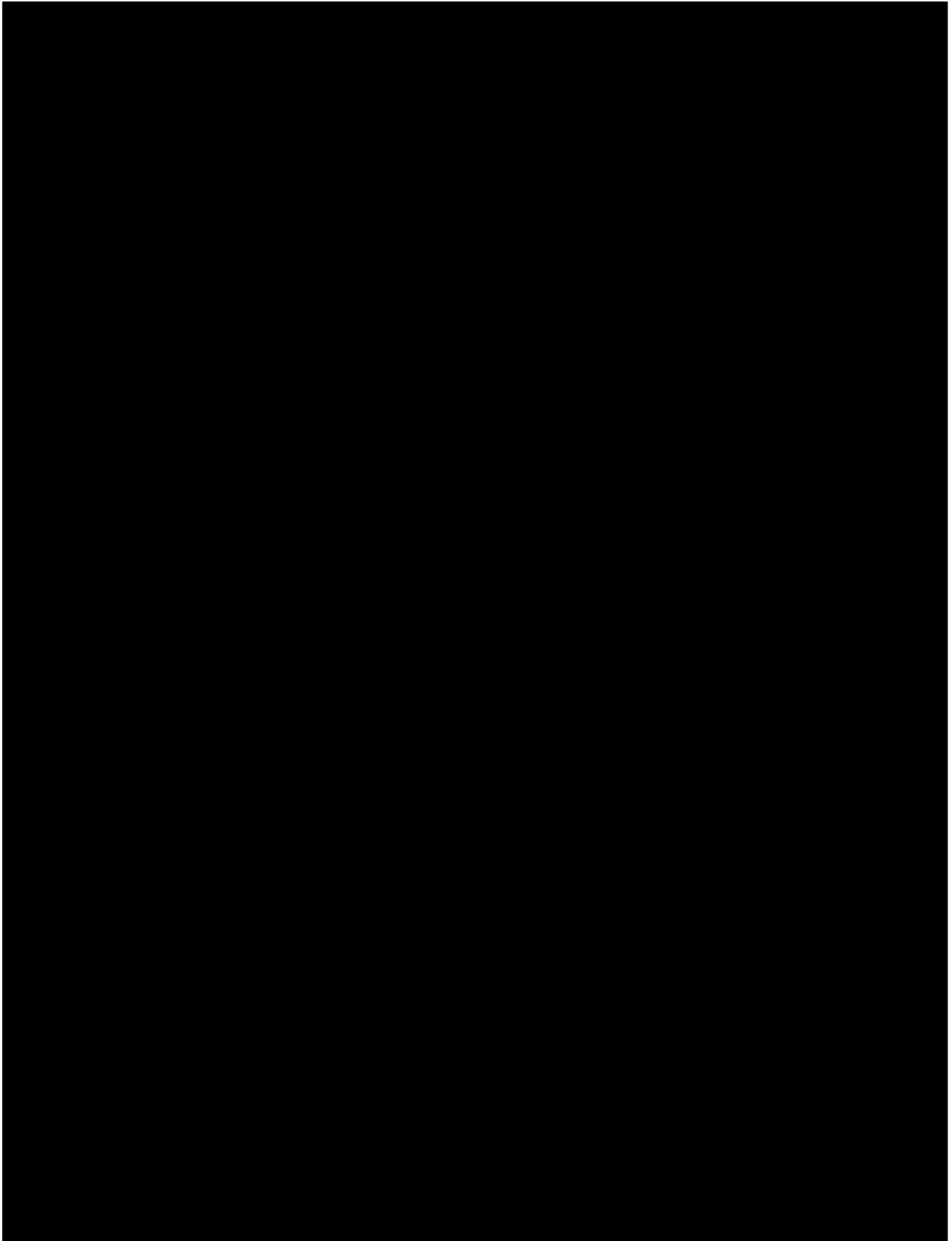
STATE OF ARIZONA)
) ss:
COUNTY OF MARICOPA)

Raymond L. Storck, Jr., being duly sworn upon his oath deposes and states as follows:

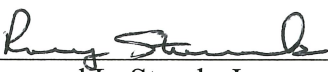
1. My name is Raymond L. Storck, Jr. I am the Vice President of Finance and Treasurer for Cable One, Inc. ("Cable One"). My business address is 210 E. Earll Drive, Phoenix, Arizona 85012.

2. Cable One provides interconnected Voice over Internet Protocol ("VoIP") services that offer customers the option to purchase unlimited calling within the continental United States and popular features and functions at flat monthly rates. Cable One relies on a traffic study to report its revenues for universal service fund purposes at both the federal and state level. Cable One uses the same methodology to report its revenues for purposes of the federal universal service fund ("FUSF") and the Kansas universal service fund ("KUSF") pursuant to paragraphs 15 and 17 of the *Declaratory Ruling* issued by the Federal Communications Commission ("FCC") in WC Docket No. 06-122 (dated November 5, 2010).





The above and foregoing statements are true and correct to the best of my knowledge,
information, and belief.



Raymond L. Storek, Jr.
Vice President of Finance and Treasurer
Cable One, Inc.

Sworn and subscribed to before me this 10th day of February 2020.

My appointment expires 10-4-2021.

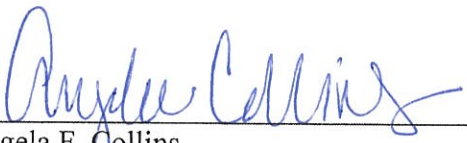




NOTARY PUBLIC

CERTIFICATE OF SERVICE

I hereby certify that on this 10th day of February 2020, the above Notification of Allocation Methodology Used by Cable One, Inc. and Confidential Affidavit was E-filed with the Kansas Corporation Commission in Docket No. 19-GIMT-056-GIT.



Angela F. Collins