

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

Before Commissioner

Jay Scott Emler, Chairman
Shari Feist Albrecht
Pat Apple

In the Matter of the Audit of McLeod USA)
Telecommunications Services, L.L.C. by the)
Kansas Universal Service Fund (KUSF))
Administrator Pursuant to K.S.A. 2014)
Supp. 66-2010(b) for KUSF Operating)
Year 18, Fiscal Year March 2014-February)
2015.)

Docket No. 16-MLTT-034-KSF

ORDER ACCEPTING AND ADOPTING COMPLIANCE REPORT

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and determination. Having examined its files and record, and being duly advised in the premises, the Commission finds and concludes as follows:

1. On May 5, 2016, the Commission issued an Order Adopting GVNW Consulting, Inc.'s (GVNW) Audit Report and Recommendations in this matter. The Commission's Order directed McLeod USA Telecommunications Services, L.L.C. (McLeod) to: (1) discontinue reporting calculated revenues to the Kansas Universal Service Fund (KUSF) no later than the end of calendar year 2016; and (2) to provide copies or screen images of customer bills to GVNW that clearly identify the KUSF surcharge as a separate line item within 45 days of the end of the 2nd quarter of 2016. Upon GVNW's receipt, review and verification of McLeod's bills or screen images provided in response to this requirement, GVNW was directed to submit a Compliance Report to the Commission.

2. On May 24, 2016, GVNW filed its Compliance Report addressing item (2) in paragraph 1 above affirming that on May 24, 2016, McLeod provided to GVNW copies of the

customer bills that clearly demonstrate the KUSF surcharge as a separate line item satisfying the requirement under item (2).

3. Respecting item (1) in paragraph 1 above, the Commission directed McLeod to discontinue reporting calculated revenues to the KUSF no later than the end of calendar year 2016. McLeod was further reminded that although it reports calculated revenue, it shall ensure that the assessment owed and paid to the KUSF is no less than it would be if it identified and reported Kansas-specific revenues. Upon implementation of processes to report actual revenues to the KUSF, McLeod was further directed to file in this docket an affidavit, executed by an officer of the company attesting that the company has implemented such processes, identifying the effective date upon which the company will begin reporting actual revenue to the KUSF. Upon McLeod's completion of these requirements, this docket will be closed.

4. The Commission has reviewed GVNW's Compliance Report filed in this matter on May 24, 2016, and finds that it should accept and adopt the same.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:


A. The Commission hereby accepts and adopts GVNW Consulting, Inc.'s Compliance Report filed in this docket on May 24, 2016.

B. The Commission retains jurisdiction over McLeod USA Telecommunications Services, L.L.C. and the subject matter of this Docket for the purpose of issuing such additional orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Emler, Chairman; Albrecht, Commissioner; Apple, Commissioner

Dated: JUN 07 2016



Amy L. Green
Secretary to the Commission

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Order Mailed Date

JUN 08 2016

CERTIFICATE OF SERVICE

16-MLTT-034-KSF

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail/hand delivered on **JUN 07 2016**.

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/s/ DeeAnn Shupe
DeeAnn Shupe

Order Mailed Date

JUN 08 2016