Mark E. Caplinger, P.A. Attorney at Law 7936 S.W. Indian Woods Place Topeka, Kansas 66615 Telephone: (785) 478-9916 Cell: (785) 231-9282 E-mail: mark@caplingerlaw.net

March 13, 2018

Ms. Lynn M. Retz Secretary to the Commission Kansas Corporation Commission 1500 SW Arrowhead Road Topeka, KS 66604-4027

Re: Docket 18-GIMT-084-GIT

Dear Ms. Retz,

We are enclosing the Notice of Traffic Study Utilized By Cellular Network Partnership d/b/a Pioneer Cellular (CNP) in the above referenced docket.

We are filing the Percent Interstate Usage Study proprietary and confidential under seal. Cellular Network Partnership believes that the information contained in the Percent Interstate Usage Study is of such competitive sensitivity that its disclosure to any person other than CNP, the Commission, and Staff is prohibited by K.S.A. 66-1220(a). Disclosure of trade secrets and confidential information to any person, including parties to this proceeding, is prohibited unless the Commission finds the disclosure of the information contained in the Percent Interstate Usage Study would have a significant and adverse impact on its competitive stance regarding existing or potential competing entities including wireless carriers, competitive local exchange carriers, and incumbent local exchange carriers. Regulatorily mandated disclosure of any or all of the subject information would create a competitive bias in favor of any actual or potential competitor not required to provide comparable information, reducing or eliminating any benefit to consumers otherwise resulting from unbiased competition and damaging the submitting company's ability to engage in fair competition.

Please feel free to give me a call if you have any questions.

Very truly yours,

Mark E. Caplinger Mark E. Caplinger, PA Attorney for Cellular Network Partnership

Enclosures MEC/njm Cc: Ron Comingdeer

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of An Investigation to Determine the Assessment Rate for the Twenty-Second Year of the Kansas Universal Service Fund, Effective March 1, 2018.

Docket No. 18-GIMT-084-GIT

NOTICE OF TRAFFIC STUDY UTILIZED BY CELLULAR NETWORK PARTNERSHIP d/b/a PIONEER CELLULAR

COMES NOW Cellular Network Partnership d/b/a Pioneer Cellular ("CNP"), by its undersigned counsel, to notify the State Corporation Commission of the State of Kansas ("Commission") of the use of its traffic study data to allocate revenue to the intrastate jurisdiction for purposes of the Kansas Universal Service Fund ("KUSF"). For its Notice, CNP states as follows:

- 1. In its Order of February 1, 2012, in Docket No. 12-GIMT-168-GIT, the Commission requires both wireless and VoIP providers to submit a pleading to the Commission if the provider elects to use an allocation methodology other than the Safe Harbor. The Order further provides that the pleading shall be accompanied by an affidavit signed by a company official to verify that the company uses the same methodology for federal USF purposes. CNP has attached an affidavit of Richard Ruhl, General Manager of CNP, as Attachment 1 to this pleading. In compliance with the Commission Order, the affidavit verifies that CNP will use the traffic study methodology for both KUSF and federal USF purposes. CNP commits to inform the Commission of changes in its KUSF methodology on a timely basis.
- 2. On March 30, 2012, CNP filed an Application in Docket No. 12-GIMT-168-GIT,

requesting to discontinue using the Safe Harbor percentages for KUSF purposes and to be allowed to use company-specific jurisdictional data for KUSF purposes.

- 3. On April 25, 2012, in Docket No. 12-GIMT-168-GIT, the Commission granted CNP's request for it to use its company-specific traffic study data for KUSF reporting. The Order, however, authorized CNP to use the Direct Assignment Methodology instead of its Traffic Study Methodology.
- 4. On May 22, 2013, in Docket No. 12-GIMT-168-GIT, the Commission issued an Order Approving the Use of Traffic Study Methodology for KUSF Revenue Reporting and Traffic Factors Used by CNP for April 1, 2012, through March 31, 2013.
- 5. CNP completed a traffic study for the first quarter of 2013 using actual traffic for Kansas. CNP did not include toll free calls without an originating number in its study. For the reporting period of April 2013 through March 2014, CNP used its Traffic Study percentages, based on company-specific traffic jurisdictional data to determine assessments it paid to the KUSF.
- 6. In its May 29, 2013, Order in Docket 13-GIMT-130-GIT the Commission Approved Updated Traffic Factors for CNP for the period of April 2013 through March 2014.
- On April 8, 2014, in Docket 14-GIMT-105-GIT the Commission issued its Order Approving Traffic Factors for CNP authorizing it to use the updated traffic factors filed on March 31, 2014, for April 2014 through March 2015.
- 8. On April 7, 2015, in Docket 15-GIMT-073-GIT the Commission issued its Order Approving Traffic Factors for CNP authorizing it to use the updated traffic factors filed on March 30, 2015, for April 1, 2015 through March 31, 2016.
- 9. On March 31, 2016, in Docket 16-GIMT-067-GIT the Commission issued its Order

Approving Traffic Factors for CNP authorizing CNP to use the updated traffic factors filed on March 24, 2016, for April 1, 2016 through March 31, 2017.

- 10. On March 28, 2017, in Docket 17-GIMT-008-GIT the Commission issued its Order Approving Traffic Factors for CNP authorizing CNP to use the updated traffic factors filed on March 16, 2017, for April 1, 2017 through March 31, 2018.
- 11. CNP completed a traffic study generated on March 2, 2018, using actual Kansas traffic from the latest three month billings. CNP did not include toll free calls without an originating number in its study. For the reporting period of April 1, 2018 through March 31, 2019, CNP will use the identified traffic study percentages, based on company-specific traffic jurisdictional data, to determine assessments to be paid to the KUSF.
- 12. CNP attaches the Percent Interstate Usage Study for Kansas.
- 13. Please direct all correspondence, pleadings and orders in this proceeding to the following:

Mark E. Caplinger, Attorney at Law Mark E. Caplinger, P.A. 7936 SW Indian Woods Place Topeka, Kansas 66615 Telephone: (785) 478-9916 mark@caplingerlaw.net

and

Ron Comingdeer, Attorney at Law Ron Comingdeer & Associates, PC 6011 N. Robinson Ave. Oklahoma City, Oklahoma 73118 Telephone: (405) 848-5534 hunter@comingdeerlaw.com WHEREFORE, CNP respectfully requests that the Commission accept CNP's use of its

traffic study data for KUSF reporting purposes as described in the attached Affidavit.

Respectfully submitted,

Mark E. Caplinger (#12550) Attorney at Law Mark E. Caplinger, P.A. 7936 SW Indian Woods Place Topeka, Kansas 66615 Telephone: (785) 478-9916 mark@caplingerlaw.net

Attorney for Cellular Network Partnership d/b/a Pioneer Cellular

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VERIFICATION

STATE OF KANSAS)) ss. COUNTY OF SHAWNEE)

I, Mark E. Caplinger, of lawful age, being first duly sworn upon his oath states:

That he is an attorney for Cellular Network Pioneer d/b/a Pioneer Cellular that he has read the above and foregoing document, and upon information and belief, states that the matters therein appearing are true and correct.

Mark P. Caplinger

SUBSCRIBED AND SWORN to before me this $\underline{/3}^{++}$ day of March, 2018.



Maney J. Mc Kenzie Notary Public

My Commission Expires:

11-15-19

CERTIFICATE OF SERVICE

I, Mark E. Caplinger, hereby certify that a true and correct copy of the above and foregoing document was electronically served to the following on this day of March, 2018.

Ahsan Latif, Litigation Counsel Kansas Corporation Commission 1500 Arrowhead Road Topeka, KS 66604 a.latif@kcc.ks.gov

Thomas J. Connors, Attorney Citizens' Utility Ratepayer Board 1500 Arrowhead Road Topeka, KS 66604 tjconnors@CURB.kansas.gov

Todd E. Love, Attorney Citizens' Utility Ratepayer Board 1500 Arrowhead Road Topeka, KS 66604 <u>t.love@curb.kansas.gov</u>

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Mark E. Caplinger

ATTACHMENT 1

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STATE OF OKLAHOMA

COUNTY OF KINGFISHER

) ss.

AFFIDAVIT OF RICHARD RUHL

I, Richard Ruhl, being over the age of 18 and being first duly sworn upon oath, depose and state as follows:

1. I hold the position of General Manager with Cellular Network Partnership d/b/a Pioneer Cellular ("CNP"). My business address is 108 E. Robberts, Kingfisher, OK 73750. I am authorized to make this affidavit on behalf of CNP. I have read the Kansas Corporation Commission (the "Commission") Order Approving Traffic Factors for CNP issued on March 28, 2017, (hereinafter referred to as the "March 28, 2017 Order") authorizing CNP to use its company-specific jurisdictional data, effective April 1, 2017 for Kansas Universal Service Fund ("KUSF") purposes. A copy of the March 28, 2017 Order is attached hereto and marked as "Attachment A". This Affidavit has been prepared in response to the March 28, 2017 Order.

2. CNP is a Commercial Mobile Radio Service ("CMRS") carrier providing "mobile service" as defined in 47 U.S.C. 8153(27). CNP provides interstate telecommunications services as defined in 47 U.S.C. §254(d) and 47 C.F.R. §54.703(a). CNP is able to identify the jurisdiction of origination and termination of the voice traffic generated by its customers in Kansas, and as such can accurately determine whether calls are interstate or intrastate in nature.

3. CNP intends to utilize a 3-month study of its company-specific traffic jurisdictional data to determine assessments to be paid to the KUSF. CNP will use this traffic study methodology for both KUSF and federal USF purposes. Specifically, CNP has determined the percentage of its intrastate jurisdictional traffic for the latest three month billings generated on March 2, 2018, based on actual traffic data and then applied that percentage to its total revenues generated in Kansas to arrive at its intrastate jurisdictional revenues for KUSF purposes for the period of April 1, 2018 through March 31, 2019. A summary of the Percent Interstate Usage Study, which reflects the percentage of interstate and intrastate traffic in Kansas, contains confidential information and will be provided under seal to the Kansas Commission.

4. By this Affidavit and the pleading which it supports, CNP notifies the Commission of its intention to use its company-specific jurisdictional traffic study data for KUSF purposes as authorized by the March 28, 2017 Order.

5. Should CNP's method of jurisdictional allocation change in the future, CNP will inform the Commission of that fact and, if necessary, will seek Commission authorization to use the new method.

Richard Ruhl

SUBSCRIBED AND SWORN to before me on this $12^{\frac{1}{2}}$ day of March, 2018.



Charlotte allet

Notary Public

ATTACHMENT A

2017.03.28 11:13:11 Kansas Corporation Commission

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Pat Apple, Chairman Shari Feist Albrecht Jay Scott Emler

In the Matter of an Investigation to Determine) the Assessment Rate and the Affordable Local) Service Rate for Rate-of-Return Regulated) Carriers for the Twenty-First Year of the) Kansas Universal Service Fund, Effective) March 1, 2017.

Docket No. 17-GIMT-008-GIT

ORDER APPROVING TRAFFIC FACTORS FOR CELLULAR NETWORK PARTNERSHIP d/b/a PIONEER CELLULAR

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The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed its files and records and being duly advised in the premises, the Commission makes the following findings:

1. K.S.A. 66-2008(a), Pursuant to 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 VoIP service, as defined by 47 C.F.R. 9.3 (October 1, 2005), to contribute to the [Kansas Universal Service Fund (KUSF)] on an equitable and nondiscriminatory basis." On December 27, 1996, in Docket No. 94-GIMT-478-GIT, the Commission declared that the contribution would be a yearly assessment on each provider's intrastate retail revenues.

2. Pursuant to the January 24, 2012, Order in Docket No. 12-GIMT-168-GIT, Wireless Carriers and interconnected voice over internet protocol (VoIP) providers have three options for identifying their Kansas intrastate retail revenues. First, a provider may utilize the Federal Communications Commission's (FCC) Safe Harbor percentages to allocate intrastate and interstate Kansas revenues.¹ If a Wireless Carrier or VoIP provider utilizes the Safe Harbor percentages, no filings are necessary. Second, a Wireless Carrier or VoIP provider may utilize a traffic study to determine revenue allocations between jurisdictions. If the Wireless Carrier or VoIP provider uses the traffic study methodology, it must provide the jurisdictional percentages (also known as "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 Wireless Carrier or VoIP provider may directly assign revenue between jurisdictions. If the Wireless Carrier or VoIP provider uses the direct assignment methodology, it does not need to provide the jurisdictional percentages, but it must inform the Commission at least annually, in the annual KUSF docket, whether it continues to use such methodology. Additionally, if the Wireless Carrier or VoIP 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, Federal Universal Service Fund (FUSF) remittance purposes. Such affidavit should accompany the annual filings referenced above.

3. On March 16, 2017, Cellular Network Partnership d/b/a Pioneer Cellular (Pioneer Cellular) filed an annual update of its traffic factors using the traffic study methodology. The filing notified the Commission of the traffic factors Pioneer Cellular will use for the reporting period of April 1, 2017 through March 31, 2018. Pioneer Cellular's filing was accompanied by an affidavit signed by Richard Ruhl, General Manager, stating the factors that will be used by the company for KUSF and FUSF remittance purposes for the reporting period April 1, 2018.

See Report and Order and Notice of Proposed Rulemaking, 21 FCC Rcd. 7518, ¶65 (June 27, 2006).

 The Commission finds Pioneer Cellular's filing appropriate and approves the use of the traffic factors cited by the company for KUSF and FUSF remittance purposes.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Cellular Network Partnership d/b/a Pioneer Cellular is authorized to use the updated traffic factors filed on March 16, 2017 for April 1, 2017 through March 31, 2018.

B. Parties have 15 days, plus three days if service is by mail, from the date this Order was served in which to petition the Commission for reconsideration of any issue or issues decided herein. K.S.A. 66-118b; K.S.A. 2015 Supp. 77-529(a)(1).

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

BY THE COMMISSION IT IS SO ORDERED.

Apple, Chairman; Albrecht, Commissioner; Emler, Commissioner

Dated: MAR 2 8 2017

Amy L. Green Secretary to the Commission

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EMAILED

MAR 2 8 2017

CERTIFICATE OF SERVICE

17-GIMT-008-GIT

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of

Electronic Service on MAR 2 8 2017

DIANE C. BROWNING, ATTORNEY SPRINT COMMUNICATIONS COMPANY L.P. KSOPHN0314-3A459 6450 SPRINT PKWY OVERLAND PARK, KS 66251 Fax: 913-523-0571 diane.c.browning@sprint.com

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CERTIFICATE OF SERVICE

17-GIMT-008-GIT

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/S/ DeeAnn Shupe DeeAnn Shupe

EMAILED

MAR 28 2017