

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

Before Commissioners: Pat Apple, Chairman
Shari Feist Albrecht
Jay Scott Emler

In the Matter of Certification of Compliance)
with Section 254(e) of the Federal)
Telecommunications Act of 1996 and) Docket No. 17-GIMT-405-GIT
Certification of Appropriate Use of Kansas)
Universal Service Fund Support.)

ORDER OPENING DOCKET

NOW, 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. The Federal Communications Commission (FCC), in its *USF/ICC Transformation Order & FNPRM*, requires Eligible Telecommunications Carriers (ETCs) to submit specific information as outlined in 47 C.F.R. § 54.313, to the states, the Universal Service Administrative Company (USAC), tribal governments (where relevant), and the FCC by July 1 of each year, beginning in the year 2012.¹

2. The Commission believes that this docket should be opened to collect those filings, as required by the FCC, and to determine whether the Commission should certify that the ETCs in Kansas will use their federal Universal Service Fund (USF) support for 2018 in compliance with Section 254(e) of the Federal Telecommunications Act of 1996 and whether the

¹*Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Mobility Fund; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Third Order on Reconsideration, (May 14, 2012), ¶10.*

ETCs appropriately used their federal USF and Kansas Universal Service Fund (KUSF) support in 2016. States that desire ETCs to receive support pursuant to the USF high-cost program must file an annual certification with the FCC and USAC by October 1, stating that all federal high-cost support provided to such carriers within the state was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support was intended as required by 47 C.F.R. § 54.314.

3. Commission Staff (Staff) prepared a Report and Recommendation, dated March 17, 2017, which is attached hereto and made a part hereof by reference. The Report and Recommendation addresses the above stated matters and requests the Commission open this docket. The Commission approves Staff's Report and Recommendation and adopts the request.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. This docket shall be opened for the purpose of receiving information and certifications to ensure compliance with Section 254(e) of the Federal Telecommunications Act of 1996 and ensure appropriate use of federal and Kansas Universal Service Fund support.

B. The required ETC certifications for the year 2018, along with the attached worksheet(s) and a copy of their Form 481 shall be filed with the Commission in this docket on or before July 1, 2017. Inasmuch as July 1, 2017 is a Saturday, filings will be accepted as timely on Monday, July 3, 2017.

C. Citizens' Utility Ratepayer Board is made a party to this docket and shall be served with all entries of appearance, comments, forms and pleadings.

D. The parties have fifteen (15) days, plus three (3) days if service of this Order is by mail, from the date this Order was served in which to petition the Commission for

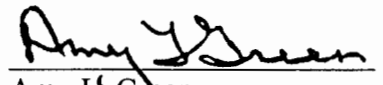
reconsideration of any issue or issues decided herein. K.S.A. 66-118b; K.S.A. 2015 Supp. 77-529(a)(1).

E. 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 28 2017


Amy L. Green
Secretary to the Commission

oan

Order Mailed Date
MAR 29 2017

**REPORT AND RECOMMENDATION
UTILITIES DIVISION**

TO: Chairman Pat Apple
Commissioner Shari Feist Albrecht
Commissioner Jay Scott Emler

FROM: Christine Aarnes, Chief of Telecommunications
Jeff McClanahan, Director of Utilities

DATE: March 17, 2017

SUBJECT: Docket No. 17-GIMT-405-GIT
In the Matter of Certification of Compliance with Section 254(e) of the Federal Telecommunications Act of 1996 and Certification of Appropriate Use of Kansas Universal Service Fund Support.

EXECUTIVE SUMMARY:

The Federal Communications Commission (FCC) requires Eligible Telecommunications Carriers (ETCs) to submit specific information as outlined in 47 C.F.R. § 54.313 to the states, the Universal Service Administrative Company (USAC), tribal governments (where relevant), and the FCC by July 1st of each year, beginning in 2012.¹ In addition, pursuant to 47 C.F.R. § 54.314 and 47 U.S.C. § 254(e), states that desire ETCs to receive support pursuant to the federal high-cost program must file an annual certification with USAC and the FCC stating that all federal high-cost support provided to such carriers within that state was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

Staff recommends the Commission open a generic docket to collect the required filings and to determine whether the Commission should certify to the FCC and USAC that all federal high-cost support provided to ETCs in Kansas was used in 2016 and will be used in 2018 only for the provision, maintenance, and upgrading of facilities for which the support is intended. The

¹ *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Mobility Fund*; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, *Third Order on Reconsideration*, (May 14, 2012), ¶ 10.

docket should further include a certification and analysis to ensure Kansas Universal Service Fund (KUSF) support was used in 2016 and will be used in 2018 appropriately.

BACKGROUND:

Section 254(e) of the Federal Telecommunications Act provides that carriers receiving federal high-cost support shall use the support “*only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.*” (Emphasis Added). The FCC delegated the responsibility of oversight of Section 254(e) to the states. The FCC specifically stated:

[t]he Rural Task Force recommended that the Commission delegate to the states responsibility for oversight of section 254(e) in a manner similar to that used for non-rural carriers. We conclude that states should be required to file annual certifications with the Commission to ensure that carriers use universal service support “only for the provision, maintenance and upgrading of facilities and services for which support is intended” consistent with section 254(e). We conclude that the mandate in section 254(e) applies to *all* carriers, rural and non-rural, that are designated as eligible to receive support under 214(e) of the Act.²

Therefore, the Commission must send a letter by **October 1** of each year to the FCC and to USAC stating that the companies named in the letter have provided certification that they will use their federal high-cost support in accordance with Section 254(e) and that they used their federal high-cost support the prior year in accordance with Section 254(e) in order for the ETCs to be eligible to receive federal high-cost support the following year.

In addition, the Commission determined on January 30, 2009, in Docket No. 08-GIMT-154-GIT (154 Docket), that ETCs must provide information to document that the carriers appropriately spent their KUSF support and will continue to spend their KUSF support appropriately.

ANALYSIS:

Kansas ETC Certification Forms

Listed below are the Forms and Instructions that will be used for this year’s filing:

Attachment

<u>No.</u>	<u>Description</u>
1	Certification Form for Federal High-Cost Support and KUSF Support
2a	Kansas’ Test for Certification for Incumbent Local Exchange Carriers (ILECs)
2b	Kansas’ Test for Certification for ILECs Using Illustrative Data
3a	Kansas’ Test for Certification for Competitive ETCs
3b	Kansas’ Test for Certification for Competitive ETCs Using Illustrative Data

² *In the Matter of Federal-State Joint Board on Universal Service, Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers*, CC Docket No. 96-45, 00-256, Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45, and Report and Order in CC Docket No. 00-256, Rel. May 23, 2001, at ¶¶ 186 and 187.

- 4 Narrative Report for New Investments
- 5 Narrative Report for New Investments in Southwestern Bell Telephone Company
- 6 d/b/a AT&T Kansas (SWBT) Exchanges (Certifies KUSF Support)
- 7 Additional ETC Requirements Adopted in Docket No. 06-GIMT-446-GIT
- 7 Certification Instructions

Attachment 7 contains the instructions for completing Attachments 1-6.

- ILECs that received in 2016 and/or will receive federal high-cost support and/or KUSF support in 2018 should complete Attachments 1, 2a, 4, and 6.
- Competitive ETCs that received in 2016 and/or will receive federal high-cost support and/or KUSF support in 2018 need to complete Attachments 1, 3a, 4, 5 and 6. However, competitive ETCs providing universal service using Local Wholesale Complete (LWC) must submit only Attachments 1 and 6 and include a statement that the company receives KUSF support only for lines to which it provisions service via LWC.
- Lifeline-Only ETCs need to complete only Attachment 6.

Attachments 2b and 3b are provided for illustration purposes to complete the respective 2a and 3a cost reports. Competitive ETCs that operate in SWBT exchanges and receive KUSF support need to complete Attachment 5 by reporting new investments made in KUSF-supported exchanges, as required in the Commission's January 30, 2009 Order in the 154 Docket.³ Additionally, competitive ETCs should exclude expenses and investments for SWBT exchanges when justifying federal high-cost support on Attachments 3a and 4, pursuant to the Commission's August 9, 2007, Order in the 07-GIMT-498-GIT (498 Docket).⁴

FCC Form 481 and KCC Attachment 6

The FCC, in its *USF/ICC Transformation Order & FNPRM*⁵, adopted additional reporting requirements in 47 C.F.R. § 54.313, many of which were previously adopted by the Commission in Docket No. 06-GIMT-446-GIT and collected by the Commission via Attachment 6. The FCC received Office of Management & Budget approval on August 5, 2013, to collect the additional reporting requirements required in 47 C.F.R. § 54.313 via Form 481. The FCC requires ETCs to file Form 481 with relevant state commissions by July 1 of each year. ETCs should be directed to file with the Commission their Form 481 including ALL attachments submitted to the FCC.

³ Commission Order dated January 30, 2009, 154 Docket, Staff Report on Workshop, page 12.

⁴ In the 498 Docket, the Commission reaffirmed its previous decision not to certify competitive ETCs' expenditures and investments of federal high-cost support in non-supported areas, which are areas served by SWBT, except to the extent the competitive ETCs can justify an allocation of a portion of expenditures and investments of federal high-cost support to serve a supported area.

⁵ *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Mobility Fund*; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, *Report and Order and Further Notice of Proposed Rulemaking*, rel. November 18, 2011.

All ETCs, including competitive ETCs, are required to complete Questions 4, 5, and 6 of Attachment 6 and competitive ETCs are required to also complete Question 7 of Attachment 6. If a carrier reports the same information requested in Questions 1 – 3 on its Form 481, Staff recommends the carrier not be required to duplicate its efforts and report the same information on Attachment 6. However, if the information is not included on the carrier's Form 481, the information needs to be reported in response to Questions 1 – 3 on Attachment 6.

RECOMMENDATION:

Staff recommends the Commission open a generic docket to collect the required filings and to determine whether the Commission should certify to the FCC and USAC that all federal high-cost support provided to ETCs in Kansas was used in 2016 and will be used in 2018 only for the provision, maintenance, and upgrading of facilities for which the support is intended. The docket should further include a certification and analysis to ensure KUSF support was used in 2016 and will be used in 2018 appropriately.

Staff further recommends the Commission require ETCs and competitive ETCs to submit their ETC certifications for 2016, along with the required attached worksheets and a copy of their Form 481, on or before July 1, 2017. As July 1, 2017, is a Saturday, filings should be accepted as timely on Monday, July 3, 2017, as well. Carriers should be reminded that late or incomplete filings may result in a fine or penalty.

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Chairman Pat Apple
Commissioner Shari Feist Albrecht
Commissioner Jay Scott Emler

In the Matter of Certification of Compliance)
with Section 254(e) of the Federal)
Telecommunications Act of 1996 and) Docket No. 17-GIMT-405-GIT
Certification of Appropriate Use of Kansas)
Universal Service Fund Support.)

SECTION 254(e) CERTIFICATION
FEDERAL HIGH-COST UNIVERSAL SERVICE SUPPORT
FCC Docket Reference: CC Docket No. 96-45
and KANSAS UNIVERSAL SERVICE FUND SUPPORT
(Please type or print legibly)
(Circle all appropriate support received)

1. My title is _____ of
_____ (Company/ Cooperative). In this capacity, I am in a
position of authority to direct how federal high-cost Universal Service Fund (USF), Connect America Fund
(CAF) support, and/or Kansas Universal Service Fund (KUSF) support received will be used and by this
certification I am binding _____ (Company/Cooperative) to the statements
made in this certification.

2. _____ (Company/Cooperative) was named as
an eligible telecommunications carrier by the Kansas Corporation Commission (KCC) for federal support
purposes in Docket No. _____ by order dated _____
and KUSF support purposes in Docket No. _____ by order dated
_____.

3. By this affidavit, I certify that the USF, CAF and/or KUSF received by
_____ (Company/Cooperative) was used in the proceeding calendar year
2016 and will be used in the new calendar year **2018** *only* for the provision, maintenance, and upgrading

Attachment 1

of facilities and services for which the support is intended, consistent with Section 254(e) of the Telecommunications Act, and/or Kansas statutes and KCC Requirements.

I certify under penalty of perjury under the laws of the state of Kansas that the foregoing is true and correct.

(Pursuant to Kan. Stat. Ann. 53-601.)

Signature

Printed/Typed Name

Executed on _____ date.

Email address: _____

**Incumbent ETC Investment and Expenses
Kansas Test for USF Certification**

**17-GIMT-405-GIT
Attachment 2a**

Company Name: _____

DATA YEAR: 2016

	LINE	REGULATED AMOUNT
WORKING LOOPS		
1. Total Loops	(060)	
2. Category 1.3 Loops	(070)	
INVESTMENT		
1. Plant Accounts		
a. Acct 2001	(160)	
2. Selected Plant Accounts		
a. Acct 2210	(230)	
b. Acct 2220	(235)	
c. Acct 2230	(240)	
d. Total Central Office Equip	(245)	\$ -
e. Circuit Equip Cat 4.13	(250)	
f. Acct 2410	(255)	
AMORTIZABLE TANGIBLE ASSETS		
Acct. 2680 Tot Assets	(800)	
Acct. 2680 (2230) COE Trans	(805)	
Acct. 2680 (Cat. 4.13) COE Trans	(810)	
Acct. 2680 (2410) Total CWF	(815)	
Acct. 2680 (2410) CWF-Cat 1	(820)	
Acct. 6560 (2680) Dep & Amort	(830)	
PART 36 - COST STUDY DATA		
1. Cost Study Avg C&WF Acct 2410	(700)	
2. Cost Study Avg C&WF Cat 1	(710)	
3. C&WF CAT 1 Factor		#DIV/0!
4. COE CAT 4.13 Factor		#DIV/0!
5. Switching Factor		1.000000

**Incumbent ETC Investment and Expenses
Kansas Test for USF Certification**

**17-GIMT-405-GIT
Attachment 2a**

Company Name: _____

DATA YEAR: 2016

**For the Following Lines, Use Gross Additions for Plant and
Annual Amounts for Expenses for the Test Year**

INVESTMENT, EXPENSE AND TAXES	LINE	REGULATED AMOUNT
1. Selected Plant Accounts		
a. Acct 2230	(240)	\$ -
b. Total Central Office Equip	(245)	
c. Acct 2410 (Total)	(255)	
2. Expenses - Plant Specific Exp		
a. Acct 6110	(335)	
b. Acct 6110 (benefits)	(340)	
c. Acct 6110 (rents)	(345)	
d. Acct 6120	(350)	
e. Acct 6120 (benefits)	(355)	
f. Acct 6120 (rents)	(360)	
g. Acct 6210	(365)	
h. Acct 6210 (benefits)	(370)	
i. Acct 6210 (rents)	(375)	
j. Acct 6220	(380)	
k. Acct 6220 (benefits)	(385)	
l. Acct 6220 (rents)	(390)	
m. Acct 6230	(395)	
n. Acct 6230 (benefits)	(400)	
o. Acct 6230 (rents)	(405)	
p. (sum of lines 365+380+395)	(410)	-
q. Acct 6410	(430)	
r. Acct 6410 (benefits)	(435)	
s. Acct 6410 (rents)	(440)	
t. Total 6110 - 6410	(445)	\$ -
3. Expenses - Plant Non Specific Exp		
a. Acct 6530	(450)	
b. Acct 6530 (benefits)	(455)	
4. Depreciation & Amortization Exp		
a. Acct 6560(2210)	(510)	
b. Acct 6560(2220)	(515)	
c. Acct 6560(2230)	(520)	
d. Acct 6560(2210-2230)	(525)	\$ -
e. Acct 6560(2410)	(530)	
5. Corporate Operating Expenses		
a. Acct 6710	(535)	
b. Acct 6710 (benefits)	(540)	
c. Acct 6720	(550)	
d. Acct 6720 (benefits)	(555)	
e. (sum of lines 535+550)	(565)	\$ -
6. Other Expenses and Revenues		
a. Benefits Portion	(600)	
b. Rents Portion	(610)	
Sum of All Expenses (Excluding Depreciation)		\$ -
7. Taxes		
a. Acct 7200	(650)	

**Incumbent ETC Investment and Expenses
Kansas Test for USF Certification**

**17-GIMT-405-GIT
Attachment 2a**

Company Name: _____																																													
DATA YEAR: 2016																																													
<p align="center">Test for use of FUSF & KUSF</p> <p>CAPITAL:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">1. Category 1 C&WF</td> <td style="width: 40%; text-align: right;">#DIV/0!</td> </tr> <tr> <td>2. Category 4.13 COE and Switching</td> <td style="text-align: right;">#DIV/0!</td> </tr> </table> <p>MAINTENANCE:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">3. CWF - MAINT. EXP.</td> <td style="width: 40%; text-align: right;">#DIV/0!</td> </tr> <tr> <td>4. COE - MAINT. SW</td> <td style="text-align: right;">-</td> </tr> <tr> <td>5. COE - MAINT-OP SYSTEM</td> <td style="text-align: right;">-</td> </tr> <tr> <td>6. COE - MAINT. - TRANS.</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>7. CWF - NETWORK SUPPORT</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>8. COE - NETWORK SUPPORT</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>9. CWF GENERAL SUPPORT</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>10. COE GENERAL SUPPORT</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>20. CWF NETWORK OPERATION</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>21. COE NETWORK OPERATION</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>22. CWF EXEC. & PLANNING</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>23. COE EXEC. & PLANNING</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>24. CWF GENERAL ADMIN.</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>25. COE GENERAL ADMIN.</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>26. CWF OPERATING TAXES</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>27. COE OPERATING TAXES</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>28. CWF BENEFITS - TTL OPER EXP</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>29. COE BENEFITS - TTL OPER EXP</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>30. CWF RENTS - TTL OPER EXP</td> <td style="text-align: right;">#DIV/0!</td> </tr> <tr> <td>31. COE RENTS - TTL OPER EXP</td> <td style="text-align: right;">#DIV/0!</td> </tr> </table>		1. Category 1 C&WF	#DIV/0!	2. Category 4.13 COE and Switching	#DIV/0!	3. CWF - MAINT. EXP.	#DIV/0!	4. COE - MAINT. SW	-	5. COE - MAINT-OP SYSTEM	-	6. COE - MAINT. - TRANS.	#DIV/0!	7. CWF - NETWORK SUPPORT	#DIV/0!	8. COE - NETWORK SUPPORT	#DIV/0!	9. CWF GENERAL SUPPORT	#DIV/0!	10. COE GENERAL SUPPORT	#DIV/0!	20. CWF NETWORK OPERATION	#DIV/0!	21. COE NETWORK OPERATION	#DIV/0!	22. CWF EXEC. & PLANNING	#DIV/0!	23. COE EXEC. & PLANNING	#DIV/0!	24. CWF GENERAL ADMIN.	#DIV/0!	25. COE GENERAL ADMIN.	#DIV/0!	26. CWF OPERATING TAXES	#DIV/0!	27. COE OPERATING TAXES	#DIV/0!	28. CWF BENEFITS - TTL OPER EXP	#DIV/0!	29. COE BENEFITS - TTL OPER EXP	#DIV/0!	30. CWF RENTS - TTL OPER EXP	#DIV/0!	31. COE RENTS - TTL OPER EXP	#DIV/0!
1. Category 1 C&WF	#DIV/0!																																												
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10. COE GENERAL SUPPORT	#DIV/0!																																												
20. CWF NETWORK OPERATION	#DIV/0!																																												
21. COE NETWORK OPERATION	#DIV/0!																																												
22. CWF EXEC. & PLANNING	#DIV/0!																																												
23. COE EXEC. & PLANNING	#DIV/0!																																												
24. CWF GENERAL ADMIN.	#DIV/0!																																												
25. COE GENERAL ADMIN.	#DIV/0!																																												
26. CWF OPERATING TAXES	#DIV/0!																																												
27. COE OPERATING TAXES	#DIV/0!																																												
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29. COE BENEFITS - TTL OPER EXP	#DIV/0!																																												
30. CWF RENTS - TTL OPER EXP	#DIV/0!																																												
31. COE RENTS - TTL OPER EXP	#DIV/0!																																												

Incumbent ETC Investment and Expenses
Kansas Test for USF Certification

17-GIMT-405-GIT
Attachment 2a

Company Name: _____

DATA YEAR: 2016

A. Total Cash Expenditures Ass'd with USF

#DIV/0!

B. Certified Federal USF Receipts:

B1. High Cost Loop Support

B2. Safety Net Support

B3. Local Switching Support

B4. Safety Valve Support for acquired Exch.

B5. Connect America Cost Model

B6. Alternative Connect America Model

B7. Total Certified Federal USF Receipts

\$ -

C. KUSF Receipts

-

D. Total FUSF and KUSF Receipts

-

E. Do Expenditures Exceed **FUSF** Receipts?

#DIV/0!

#DIV/0!

[A - B7]

Amount Expenditures Exceed Certified FUSF (negative number means FUSF exceeds Expenditures)

F. Do Expenditures Exceed **FUSF & KUSF** Receipts?

#DIV/0!

#DIV/0!

[A - D]

Amount Expenditures Exceed Certified FUSF and/or KUSF (negative number means **FUSF/KUSF** exceeds Expenditures)

Please provide the following information:

Contact: _____

Position: _____

Phone No.: _____

E-Mail: _____

Example
Incumbent ETC Investment and Expense
Kansas Test for USF Certification

17-GIMT-405-GIT
Attachment 2b

Company Name: Wabaunsee Telephone Company Inc.

	DATA YEAR	<u>2016</u>
	LINE	REGULATED AMOUNT
WORKING LOOPS		
1. Total Loops	(060)	9,552
2. Category 1.3 Loops	(070)	9,262
INVESTMENT		
1. Plant Accounts		
a. Acct 2001	(160) \$	26,978,955
2. Selected Plant Accounts		
a. Acct 2210	(230)	5,247,838
b. Acct 2220	(235)	0
c. Acct 2230	(240)	5,962,811
d. Total Central Office Equip	(245) \$	11,210,649
e. Circuit Equip Cat 4.13	(250)	4,061,618
f. Acct 2410	(255)	13,819,015
AMORTIZABLE TANGIBLE ASSETS		
Acct. 2680 Tot Assets	(800)	0
Acct. 2680 (2230) COE Trans	(805)	0
Acct. 2680 (Cat. 4.13) COE Trans	(810)	0
Acct. 2680 (2410) Total CWF	(815)	0
Acct. 2680 (2410) CWF-Cat 1	(820)	0
Acct. 6560 (2680) Dep & Amort	(830)	0
PART 36 - COST STUDY DATA		
1. Cost Study Avg C&WF Acct 2410	(700)	11,811,817
2. Cost Study Avg C&WF Cat 1	(710)	11,718,782
3. C&WF CAT 1 Factor		0.992124
4. COE CAT 4.13 Factor		0.362300
5. Switching Factor		1.000000

**Example
Incumbent ETC Investment and Expense
Kansas Test for USF Certification**

**17-GIMT-405-GIT
Attachment 2b**

Company Name: Wabaunsee Telephone Company Inc.

DATA YEAR 2016

LINE	REGULATED AMOUNT
For the Following Lines, Use Gross Additions for Plant and Annual Amounts for Expenses for the Test Year	
INVESTMENT, EXPENSE AND TAXES	LINE
1. Selected Plant Accounts	
a. Acct 2230	(240) 198,228
b. Total Central Office Equip	(245) 480,061
c. Acct 2410 (Total)	(255) 436,274
2. Expenses - Plant Specific Exp	
a. Acct 6110	(335) 12,628
b. Acct 6110 (benefits)	(340) 1,362
c. Acct 6110 (rents)	(345) 256
d. Acct 6120	(350) 211,447
e. Acct 6120 (benefits)	(355) 8,068
f. Acct 6120 (rents)	(360) 15,114
g. Acct 6210	(365) 236,427
h. Acct 6210 (benefits)	(370) 36,157
i. Acct 6210 (rents)	(375) 2,922
j. Acct 6220	(380) 0
k. Acct 6220 (benefits)	(385) 0
l. Acct 6220 (rents)	(390) 0
m. Acct 6230	(395) 108,923
n. Acct 6230 (benefits)	(400) 14,821
o. Acct 6230 (rents)	(405) 1,222
p. (sum of lines 365+380+395)	(410) \$ 345,350
q. Acct 6410	(430) 882,320
r. Acct 6410 (benefits)	(435) 124,429
s. Acct 6410 (rents)	(440) 63,079
t. Total 6110 - 6410	(445) \$ 1,451,745
3. Expenses - Plant Non Specific Exp	
a. Acct 6530	(450) 287,767
b. Acct 6530 (benefits)	(455) 45,519
4. Depreciation & Amortization Exp	
a. Acct 6560(2210)	(510) 382,435
b. Acct 6560(2220)	(515) 0
c. Acct 6560(2230)	(520) 297,063
d. Acct 6560(2210-2230)	(525) 679,498
e. Acct 6560(2410)	(530) 677,375
5. Corporate Operating Expenses	
a. Acct 6710	(535) 73,579
b. Acct 6710 (benefits)	(540) 17,078
c. Acct 6720	(550) 428,472
d. Acct 6720 (benefits)	(555) 46,933
e. (sum of lines 535+550)	(565) \$ 502,051
6. Other Expenses and Revenues	
a. Benefits Portion	(600) 425,974
b. Rents Portion	(610) 82,594
Sum of All Expenses (Excluding Depreciation)	\$ 2,241,563
7. Taxes	
a. Acct 7200	(650) 1,073,834

**Example
Incumbent ETC Investment and Expense
Kansas Test for USF Certification**

**17-GIMT-405-GIT
Attachment 2b**

Company Name: <u>Wabaunsee Telephone Company Inc.</u>	
DATA YEAR	<u>2016</u>
LINE	REGULATED AMOUNT
Test for use of FUSF and KUSF	
CAPITAL:	
1. Category 1 C&WF	432,838
2. Category 4.13 COE and Switching	455,759
MAINTENANCE:	
3. CWF - MAINT. EXP.	689,340
4. COE - MAINT. SW	197,348
5. COE - MAINT-OP SYSTEM	0
6. COE - MAINT. - TRANS.	63,266
7. CWF - NETWORK SUPPORT	5,595
8. COE - NETWORK SUPPORT	3,799
9. CWF GENERAL SUPPORT	95,673
10. COE GENERAL SUPPORT	64,963
20. CWF NETWORK OPERATION	123,106
21. COE NETWORK OPERATION	83,591
22. CWF EXEC. & PLANNING	28,713
23. COE EXEC. & PLANNING	19,496
24. CWF GENERAL ADMIN.	193,891
25. COE GENERAL ADMIN.	131,655
26. CWF OPERATING TAXES	545,701
27. COE OPERATING TAXES	370,541
28. CWF BENEFITS - TTL OPER EXP	216,472
29. COE BENEFITS - TTL OPER EXP	146,988
30. CWF RENTS - TTL OPER EXP	41,973
31. COE RENTS - TTL OPER EXP	28,500

**Example
Incumbent ETC Investment and Expense
Kansas Test for USF Certification**

**17-GIMT-405-GIT
Attachment 2b**

Company Name: <u>Wabaunsee Telephone Company Inc.</u>		
DATA YEAR <u>2016</u>		
LINE	REGULATED AMOUNT	
A. Total Cash Expenditures Assd with USF	3,939,208	
<u>B. Certified Federal USF Receipts:</u>		
B1. High Cost Loop Support	820,931	
B2. Safety Net Support		
B3. Local Switching Support		
B4. Safety Valve Support for acquired Exch.		
B5. Connect America Cost Model		
B6. Alternative Connect America Model		
B7. Total Certified Federal USF Receipts	<div style="border-top: 1px solid black; display: inline-block; width: 100px;"></div> 820,931	
C. KUSF Receipts	2,500,000	
D. Total FUSF and KUSF Receipts	3,320,931	
E. Do Expenditures Exceed FUSF Receipts?	Yes	3,118,277 [A - B7]
Amount Expenditures Exceed Certified FUSF (negative number means FUSF exceeds Expenditures)		
F. Do Expenditures Exceed FUSF & KUSF Receipts?	Yes	618,277 [A - D]
Amount Expenditures Exceed Certified FUSF & KUSF (negative number means FUSF & KUSF exceeds Expenditures)		
Please provide the following information:		
Contact:	John Smith	
Position:	Accountant	
Phone No.:	785-555-1234	
E-Mail:	jsmith@wtci.com	

**Competitive ETC Investment and Expense
Test for USF Certification**

**17-GIMT-405-GIT
Attachment 3a**

Company Name : _____

All CETCs must complete this form to receive certification for its use of FUSF and KUSF support, pursuant to 47 C.F.R. § 54.314, Kansas statutes, and KCC Requirements. Please attach additional pages if necessary. If you have any questions, please email the KCC Staff at c.arnes@kcc.ks.gov.

**Data
Year 2016**

	AMOUNT FOR KANSAS A	ALLOCATION PERCENT B	FUSF CODE (see Notes) C	AMOUNT FOR FUSF AREAS (Excluding SWBT Area) D=AxB	ALLOCATION PERCENT E	KUSF CODE (see Notes) F	AMOUNT FOR KUSF AREAS (Including SWBT Area) [1] G = Ax E
FUSF WORKING LOOPS/LINES							
KUSF SUPPORTED LINES							
NEW INVESTMENTS:							
1. SWITCHING				-			-
2. OUTSIDE PLANT (LOCAL LOOPS, CELL SITES)(1)				-			-
SUBTOTAL NEW INVESTMENTS	\$ -			\$ -			\$ -
EXPENSES:							
3. SWITCH MAINTENANCE				-			-
4. OUTSIDE PLANT MAINTENANCE				-			-
5. NETWORK SUPPORT				-			-
6. ADMINISTRATIVE EXPENSE				-			-
SUBTOTAL EXPENSES	\$ -			\$ -			\$ -
A. TOTAL CASH EXPENDITURES ASSD WITH USF	\$ -			\$ -			\$ -
B. CERTIFIED FUSF RECEIPTS FOR CETCS							
B1. High Cost Loop Support							
B2. Safety Net Support							
B3. Local Switching Support							
B4. Safety Valve Support							
B5. Mobility I							
B6. Rural Broadband Experiments Fund							
B7. Total Certified Federal USF Receipts				\$ -			\$ -
B8. Interstate Common Line Support - ICLS							
C. KUSF RECEIPTS							\$ -
D. TOTAL FUSF AND/OR KUSF				\$ -			\$ -
E. DO EXPENDITURES EXCEED FUSF RECEIPTS? No (negative number means FUSF exceeds Expenditures)				\$ -			\$ -
F. DO EXPENDITURES EXCEED FUSF and/or KUSF RECEIPTS? No (negative number means KUSF exceeds Expenditures)				\$ -		No	\$ -

Notes:

- 1) Exclude the cost of transport between switches (dial-tone and/or tandem).
- 2) Allocation Codes (describe how the costs are allocated): *[the following are examples only, not a complete list.]*
 - a. Based on number of switched MOUs from USF supported cell sites.
 - b. Based on actual expenditures at USF cell sites. An allocation of USF area to total served area is applied at each cell site. (i.e. 200,000 investment at Cell Site A, which serves 80% USF supported area, results in 160,000 of USF dollars.)
 - c. Based on percent of USF served areas to all areas.

Contact: _____ Position: _____

Phone No.: _____ E-Mail: _____

[1] This column is to be completed if the company receives KUSF support in SWBT wire centers.

Example
Competitive ETC Investment and Expense
Test for USF Certification

17-GIMT-405-GIT
Attachment 3b

Company Name : Everyday Telephone Company, Inc.

All ETCs must complete this form to receive certification for its use of FUSF and KUSF support, pursuant to 47 C.F.R. 54.314, Kansas statute, and KCC Requirements. Please attach additional pages if necessary. If you have any questions, please email the KCC Staff at c.aarnes@kcc.ks.gov.

Data
Year 2016

DESCRIPTION	AMOUNT FOR KANSAS	ALLOCATION PERCENT	FUSF CODE (see Notes)	AMOUNT FOR FUSF AREAS (Excluding SWBT Area) D=AxB	ALLOCATION PERCENT	KUSF CODE (see Notes)	AMOUNT FOR KUSF AREAS (Including SWBT Area) [1] G = AxG
	A	B	C		E	F	
WORKING LOOPS/LINES	50,000	N/A		17,500	N/A		15,000
KUSF SUPPORTED LINES							
NEW INVESTMENTS:							
1. SWITCHING	\$ 5,000,000	35%	a	\$ 1,750,000	50%		\$ 875,000
2. OUTSIDE PLANT (LOCAL LOOPS, CELL SITES)(1)	7,000,000	N/A	b	4,340,000	75% c		3,255,000
SUBTOTAL NEW INVESTMENTS	\$ 12,000,000			\$ 6,090,000			\$ 4,130,000
EXPENSES:							
3. SWITCH MAINTENANCE	1,500,000	75%	a	1,125,000	25%		375,000
4. OUTSIDE PLANT MAINTENANCE	4,000,000	52%	c	2,080,000	48%		1,920,000
5. NETWORK SUPPORT	500,000	52%	c	260,000	48%		240,000
6. ADMINISTRATIVE EXPENSE	400,000	75%	a	300,000	25%		100,000
SUBTOTAL EXPENSES	\$ 6,400,000			\$ 3,765,000			\$ 2,635,000
A. TOTAL CASH EXPENDITURES ASSD WITH USF	\$ 18,400,000			\$ 9,855,000			\$ 6,765,000
B. CERTIFIED USF RECEIPTS FOR CETCS							
B1. High Cost Loop Support				83,500			83,500
B2. Safety Net Support				45,000			45,000
B3. Local Switching Support				120,000			120,000
B4. Safety Valve Support				4,721,500			4,721,500
B5. Mobility I				-			-
B6. Rural Broadband Experiments Fund				-			-
B7. Total Certified Federal USF Receipts				\$ 4,970,000			\$ 4,970,000
B8. Interstate Common Line Support - ICLS				30,000			30,000
C. KUSF RECEIPTS				\$ 2,000,000			\$ 2,000,000
D. TOTAL FUSF AND KUSF				\$ 6,970,000			\$ 6,970,000
E. DO EXPENDITURES EXCEED FUSF RECEIPTS? Yes				\$ 4,885,000			\$ 1,795,000
(negative number means FUSF exceeds Expenditures)							
F. DO EXPENDITURES EXCEED FUSF and/or KUSF RECEIPTS? Yes				\$ 2,885,000		Yes	\$ 4,765,000
(negative number means KUSF exceeds Expenditures)							

Notes:

1) Exclude the cost of transport between switches (dial-tone and/or tandem).

Allocation Codes (describe how the costs are allocated): [the following are examples only, not a complete list.]

a. Based on number of switched MOUs from USF supported cell sites.

b. Based on actual expenditures at USF cell sites. An allocation of USF area to total served area is applied at each cell site.

(i.e. 200,000 investment at Cell Site A, which serves 80% USF supported area, results in 160,000 of USF dollars.)

c. Based on percent of USF served areas to all areas.

Contact: Robert Jones

Position: Accounting

Phone No.: 316-555-9876

E-Mail: rjones@edtc.com

Narrative Report for New Investments

ETC Certification for Use of USF Support
Provided to the Kansas Corporation Commission

Company Name: _____
Data Year: 2016

Town or Exchange	Description of Improvement	Cash Investment	Allocation %	Notes	Amount Used in the USF Supported Areas
A	B	C	D	E	F= C x D
Subtotal		0			0
Total		0			0

NOTES:

This total amount should match the New Investment Subtotal on the USF Certification Form - Attachment 2a LINES (245 & 255).

Contact: _____ Phone No.: _____
Position: _____ E-Mail: _____

Data Year: 2016

Page 1

Narrative Report for New Investments in SWBT Exchanges

ETC Certification for Use of KUSF Support
Provided to the Kansas Corporation Commission

Carrier Name: 0
Data Year: 2016

Supplemental
Pages

Town or Exchange A	Description of Improvement B	Cash Investment C	Allocation % D	Notes E	Amount Used in the KUSF Supported Areas F= C x D
Subtotal		0			0

Annual ETC Certification of Requirements Imposed by the Commission in Docket Number 06-GIMT-446-GIT

1. All ETCs must provide detailed information on any outage in the prior calendar year, as that term is defined in 47 CFR 4.5, of at least 30 minutes in duration for each service area in which an eligible telecommunications carrier is designated for any facilities it owns, operates, leases, or otherwise utilizes that potentially affect: (i) at least 10% of the end users served in a designated service area; or (ii) a 911 specialty facility as defined in 47 CFR 4.5(e). **(Please complete if information is not reported on Form 481.)**

Date and time of Onset of the Outage	Description of the Outage and its Resolution	Particular services affected	Geographic Areas Affected	Steps Taken to Prevent a Similar Situation in the Future	Number of Customers Affected

(If necessary, please provide additional pages.)

2. Please provide the number of requests for service from potential customers within the recipient's service areas that were unfulfilled during the prior calendar year. If applicable, please explain how you attempted to provide service to those potential customers. **(Please complete if information is not reported on Form 481.)**

3. Please provide the number of complaints per 1,000 connections (fixed or mobile) in the prior calendar year. **(Please complete if information is not reported on Form 481.)**

4. A wireline ETC must certify that it is in compliance with the Commission's quality of service standards and a wireless ETC must certify that it is in compliance with the CTIA Code. **Please complete the following, as applicable to your company:**

QUALITY OF SERVICE WIRELINE ANNUAL CERTIFICATION

KCC Docket Reference: 06-GIMT-446-GIT

(Please type or print legibly)

1. My title is _____ of the _____
(Company/ Cooperative). In this capacity, I am in a position of authority to certify whether the Company/ Cooperative is complying with required quality of service standards. I am binding _____(Company/Cooperative) to the statements made in this certification.

2. By this affidavit, I certify that _____(Company/ Cooperative) is in compliance with the Commission's quality of service standards as adopted in Docket No. 191,206-U.

I certify under penalty of perjury under the laws of the state of Kansas that the foregoing is true and correct. (Pursuant to Kan. Stat. Ann. 53-601.) Executed on _____(date).

Signature

Printed/Typed Name

QUALITY OF SERVICE WIRELESS ANNUAL CERTIFICATION

KCC Docket Reference: 06-GIMT-446-GIT

(Please type or print legibly)

1. My title is _____ of the _____
(Company/ Cooperative). In this capacity, I am in a position of authority to certify whether the Company/ Cooperative is complying with required quality of service standards. I am binding _____(Company/Cooperative) to the statements made in this certification.

2. By this affidavit, I certify that _____(Company/ Cooperative) is in compliance with the CTIA Code.

I certify under penalty of perjury under the laws of the state of Kansas that the foregoing is true and correct. (Pursuant to Kan. Stat. Ann. 53-601.) Executed on _____(date).

Signature

Print / Typed Name

5. An ETC must certify that it will be able to function in an emergency as set forth in 47 CFR § 54.202(a)(2). **All ETCs must complete the following:**

ABILITY TO FUNCTION IN AN EMERGENCY ANNUAL CERTIFICATION

KCC Docket Reference: 06-GIMT-446-GIT

(Please type or print legibly)

1. My title is _____ of the _____
(Company/ Cooperative). In this capacity, I am in a position of authority to certify whether the Company/ Cooperative is able to function in an emergency. I am binding _____ (Company/Cooperative) to the statements made in this certification.

2. By this affidavit, I certify that _____ (Company/ Cooperative) is capable of functioning in an emergency.

I certify under penalty of perjury under the laws of the state of Kansas that the foregoing is true and correct. (Pursuant to Kan. Stat. Ann. 53-601.) Executed on _____ (date).

Signature

Printed / Typed Name

6. 47 U.S.C. § 214(e)(1)(B) requires an ETC to advertise its services throughout the service area for which it has been designated “using media of general distribution.” **All ETCs must complete the following:**

Name of Media	Type of Media	Geographic Areas Reached	Dates Published

(If necessary, please attach additional pages.)

7. A competitive ETC must certify that it offers a local usage plan comparable to that of the incumbent. Please provide a description of the local usage plan(s) that is comparable to that of the incumbent and complete the certification.

COMPARABLE LOCAL USAGE PLAN ANNUAL CERTIFICATION

KCC Docket Reference: 06-GIMT-446-GIT

(Please type or print legibly)

1. My title is _____ of the _____
(Company/ Cooperative). In this capacity, I am in a position of authority to certify whether the Company/ Cooperative offers a local usage plan comparable to that of the incumbent. I am binding _____ (Company/Cooperative) to the statements made in this certification.

2. By this affidavit, I certify that _____ (Company/ Cooperative) offers a local usage plan comparable to that of the incumbent.

I certify under penalty of perjury under the laws of the state of Kansas that the foregoing is true and correct. (Pursuant to Kan. Stat. Ann. 53-601.) Executed on _____ (date).

Signature

Printed/Typed Name

**Kansas Corporation Commission
ETC Certification Instructions for Attachments 1 - 6**

The Kansas Corporation Commission (KCC) requires every Eligible Telecommunications Carrier (ETC) to complete the ETC certification forms as part of the annual ETC certification process.

If you have any questions, please contact the Telecommunications Division at 785-271-3132 or c.aarnes@kcc.ks.gov.

1. Line Definitions:

Working Loops for federal High-Cost Supported Services

Provide the line counts by incumbent local exchange carrier (ILEC) study area or wire center that were reported to the Universal Service Administrative Company (USAC) for the same year as the cost data is reported.

2. Attachments 2 and 3 – ILEC ETC and Competitive ETC Investment and Expense Reports

a. ILEC ETC Report Format

Attachment 2a is used by Incumbent ETCs to report their use of federal high-cost support received in the prior year. The report is a modified version of the cost information submitted to USAC for high-cost support, with the prior year data used to evaluate past certifications provided by the companies. Amounts reported should reflect the amounts actually used to provide universal service in the supported areas for which the support was paid.¹ Support should be segregated by the type of federal high-cost support received. KUSF support is required to be certified and, similar to federal support, the support must also be used to provide and maintain universal service. Attachment 2b is an example of how to complete Form 2a.

b. Competitive ETC (CETC) Report Format

Attachment 3a is used by CETCs to report their use of high-cost funds received in the prior year. Prior year data is used to evaluate past certifications provided by the companies. Amounts reported should reflect the amounts actually expended to provide universal service in the supported areas for which the support was paid.² If no universal service support was received for the prior year, the company need only file a statement to that effect. Cost information is split by new investment expenditures and expenses. This is compared to the amount of federal high-cost support received. KUSF support is required to be certified and, similar to federal high-cost support, the support must also be

¹ Per 47 C.F.R. § 54.314, federal USF support, "will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended." If investments or expenses are for service areas larger than the supported service areas, then allocations of the expenditures are required. See 2c Allocation Methods.

² Per 47 C.F.R. § 54.314, federal USF support, "will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended." If investments or expenses are for service areas larger than the supported service areas, then allocations of the expenditures are required. See 2c Allocation Methods.

Kansas Corporation Commission
ETC Certification Instructions for Attachments 1 - 6

used to provide and maintain universal service. Attachment 3b is an example showing how to complete Form 3a.

The company should exclude the cost of transport between switches. This makes the reporting consistent with the costs submitted by the Incumbent ETCs. Once a call leaves the local switch, it is on the interoffice network and costs for those facilities are not included. The switch is the device that provides dial tone and/or switching the call to the proper location for termination. This can be a smart remote with stand-alone capability³ or a stand-alone/host switch.

c. Allocation Methods

The cost reports attempt to capture the cost to provide universal service and exclude certain types of investments and expenses. The FCC has deregulated some services, including voice messaging and inside wire; therefore, they should be excluded.

The allocation of new investments and expenses may play an important role in properly identifying the costs associated with the USF supported areas. Incumbent LECs utilize a series of allocation rules in the Separations process that are specific and documented. However, even ILECs may encounter situations where only a portion of their territory receives high-cost support.

CETCs, especially, may serve exchanges that are supported as well as areas that are not supported. Some costs may be specific to the supported area, while others may involve both areas. A number of valid methods are available to make these allocations. Below is a list of examples that will normally be acceptable in making allocations:

Outside plant projects –the supported areas’ allocations can be determined as follow:

1. Identify the specific costs in supported areas and assign it as a qualified cost.
2. Determine the number of lines in the supported area versus the total lines served by the facilities.
3. Determine the geographic area in the supported area versus the total area served (this method is especially applicable to cellular towers).
4. Calculate the percent of miles on a cable that serves a supported area versus the total miles to all the areas.
5. Calculate the percent of fiber strands or cable pair that go to a supported area versus the total strands in service.

Expenses may be allocated based on the allocation determined for the related investment, or based on a percentage of lines or customers in the supported areas.

Maintenance expense may be allocated based on the number of items being maintained that are in the supported areas.

³ A smart remote with stand-alone capability is one that can still provide local calling even if its link to the host switch is severed.

Kansas Corporation Commission
ETC Certification Instructions for Attachments 1 - 6

Switching may be allocated using the following methods:

1. Calculate the percent of Minutes of Use (MOU) for the lines in the supported area versus all minutes.
2. Calculate the percent of lines in the supported area versus all lines served by the switch.
3. Similar allocations could apply to circuit equipment used for switched access.

General rules to follow when deciding on the allocation method:

1. Allocations may be calculated by individual investment location, by region or for the whole state.
2. Companies may decide which methods work best based on the accounting and network information they have available.
3. Methods can vary for different types of investment or expense.
4. The method is one that is appropriate for the item being allocated (i.e. MOU would be appropriate for a switch allocation but not for a loop).
5. The allocation is based on measurable data.
6. The method captures a reasonable cost of the investment and/or expense.
7. The company should maintain consistency in the allocation methods used from year to year when providing data to the Commission. This will avoid gaming the system and provide the ability to make comparisons from year to year.
8. When a company changes an allocation method, it should be noted in the data submission, complete with rationale explaining why this new method is more appropriate. Also, the company should provide a calculation of what effect the new allocation would have on the prior year's report.

4. Attachment 4 - New Investments Utilizing High-Cost Support in Supported Areas**a. Report Format**

For the prior calendar year, please provide a description of the new investments in supported areas where the high-cost support was used. Please use a format similar to the *Narrative for New Investment Report*. The first example is for a wireless ETC and the second example is for a wireline ETC. It is acceptable to submit a mechanized report if it contains the essential information. Any projects over the threshold should be listed separately. Those projects less than the threshold should be combined into one or more line items. See 3b below for the threshold.

EXAMPLE of Narrative for New Investment Report**EXAMPLE of a WIRELESS COMPANY**

Kansas Corporation Commission
ETC Certification Instructions for Attachments 1 - 6

Town or Exchange	Description of Improvement	Cash Investment	Allocation %	Notes	Amount Used in the USF Supported Areas
A	B	C	D	E	F=C x D
20 miles West of Oakley serving USF areas: Levant, Winona, and Russell Springs.	New tower and fiber trunking.	\$300,000	70%	[1]	\$210,000
Wichita - Serves all customers in Kansas.	Switch Software Upgrade.	\$250,000	25%	[2]	\$50,000
TOTAL		\$550,000			\$260,000

NOTES

[1] Percent of the service area that is USF supported on geography served.

[2] Percent of switch that is USF supported based on lines served.

EXAMPLE of a WIRELINE COMPANY

Town or Exchange	Description of Improvement	Cash Investment	Allocation %	Notes	Amount Used in the USF Supported Areas
A	B	C	D	E	F=C x D
Buffalo, Quincy, Toronto	Replaced OSP with digital line carrier and fiber feeder	\$1,250,000	100%	[1]	\$1,250,000
Eureka thru Hamilton, Quincy, Yates Center, Chanute, Fredonia, Fall River & serves USF areas: Buffalo, Toronto, Altoona, Benedict, and Coyville.	Fiber ring from remote terminals to remote switch in Eureka.	\$800,000	50%	[2]	\$400,000
TOTAL		\$2,050,000			\$1,650,000

NOTES

[1] All of the exchanges in this project are USF supported.

[2] Percent of lines served by the fiber ring in the USF supported exchanges.

The objective of this report is to identify that new investment is being spent to benefit supported areas. Listing individual exchanges that will benefit will help meet this purpose.

- b. Threshold - For companies spending less than \$10M in new projects in Kansas, use \$200,000 as the project threshold. For companies spending \$10M or more, use \$500,000 as the project threshold. It is acceptable to provide more detail than the threshold requires if it helps identify which supported areas are receiving benefit.

Kansas Corporation Commission
ETC Certification Instructions for Attachments 1 - 6

5. Attachment 5 - Report on the Use of KUSF Support Funding in SWBT Exchanges

The information and instructions for Attachment 5 are the same as Attachment 4 except that the purpose is to describe the use of KUSF Support in SWBT exchanges. ETCs that receive KUSF for SWBT exchanges should complete this report.

Additional questions on the allocation process may be referred to the KCC Staff, see contact number at the top of these instructions.

6. Attachment 6 – Annual Certification of Requirements Imposed by the Commission in Docket Number 06-GIMT-446-GIT.

Provide the information as requested on the attachment and attach additional pages, as necessary.

ETCs receiving high-cost support should submit their five-year investment plan with their Form 481; therefore, this reporting requirement has been eliminated from Attachment 6. PLEASE PROVIDE ALL ATTACHMENTS SUBMITTED TO THE FCC WITH THE CARRIER'S FORM 481.

- **All ETCs must complete Questions 1-3 only if the information is not reported on their Form 481.**
- **All ETCs must complete Questions 4 – 6; and**
- **CETCs need to also complete Question 7.**

CERTIFICATE OF SERVICE

17-GIMT-405-GIT

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 MAR 28 2017.

ANDREW SCHWANTNER, MANAGER-CONTRACT
COMPLIANCE
BIG RIVER TELEPHONE COMPANY, LLC
24 S MINNESOTA AVE 270
CAPE GIRARDEAU, MO 63703
Fax: 314-225-2235
noc@bigrivercom.com

KORENE WAPP, ACCOUNTS PAYABLE
BLUE VALLEY TELE-COMMUNICATIONS, INC.
1559 PONY EXPRESS HWY
HOME, KS 66438
Fax: 785-799-3530
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