

permitting said applicants to transact the business of a common carrier or public utility in this state.”

3. K.S.A. 66-2005(w) states in part:

[T]elecommunications carriers that were not authorized to provide switched local exchange telecommunications services in this state as of July 1, 1996, including cable television operators who have not previously offered telecommunications services, must receive a certificate of convenience based upon a demonstration of ***technical, managerial and financial viability*** and the ability to meet quality of service standards established by the commission. Any telecommunications carrier or other entity seeking such certificate shall file a statement, which shall be subject to the commission’s approval, specifying with particularity the areas in which it will offer service, the manner in which it will provide the service in such areas and whether it will serve both business customers and residential customers in such areas... (Emphasis Added).

4. Commission Staff (“Staff”) submitted a Report and Recommendation in regards to the Application on December 22, 2016, attached hereto and made a part hereof by reference. Staff found that Midco is a South Dakota general partnership and is properly registered with the Kansas Secretary of State’s Office. Staff noted that Midco is acquiring certain assets of Knology of Kansas, Inc. d/b/a WOW! (Knology), including fifteen service personnel, to provide telephone, cable, and Internet service in the state. Staff found that based upon the information provided by Midco, it possesses the necessary technical, managerial, and financial abilities to provide local exchange service in Kansas. Staff noted that Midco currently serves over 100,000 telecommunications customers in Minnesota, South Dakota, and North Dakota, and its key personnel have extensive industry experience. Additionally, Midco will utilize personnel currently employed by Knology. Finally, Staff found that all other aspects of Midco’s Application were acceptable and granting its Application would benefit the general public. Staff recommended approval of the Application, including Midco’s proposed access tariff.

5. Staff caveated its recommendation of approval by noting that Midco has not yet executed interconnection agreements with AT&T and CenturyLink, but it is currently in negotiations with both entities. Staff stated that Midco should be reminded that it may not operate as a CLEC in the state of Kansas until interconnection agreements have been filed with and approved by the Commission.

6. The Commission finds Staff's findings and recommendations to be reasonable and hereby adopts the same.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Midco's Application for a Certificate of Convenience and Authority to provide CLEC and switched access services in the areas served by AT&T and CenturyLink in the state of Kansas is approved. Midco's proposed access tariff is also approved.

B. Midco shall not begin operating as a CLEC until interconnection agreements have been filed with and approved by the Commission.

C. Midco shall notify the Commission of any changes in addresses or contact information, timely file annual reports, maintain current registration with the Kansas Secretary of State's Office, pay all Commission and Kansas Universal Service Fund assessments in a timely manner, follow the Telecommunications Carrier Code of Conduct, and report revenues to GVNW for assessment purposes. Failure to meet these requirements could result in the revocation of the Certificate of Convenience and Authority.

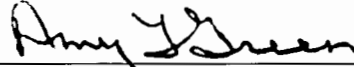
D. The parties have fifteen (15) days, plus three (3) days if service of this order is by mail, from the date this order was served in which to petition the Commission for reconsideration of any issue or issues decided herein. K.S.A. 66-118b; K.S.A. 77-529(a)(1).

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.

Emler, Chairman; Albrecht, Commissioner; Apple, Commissioner

Dated: JAN 05 2017



Amy L. Green
Secretary to the Commission

MRN

Order Mailed Date

JAN 06 2017

**REPORT AND RECOMMENDATION
UTILITIES DIVISION**

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

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

DATE: December 22, 2016

SUBJECT: Docket No. 17-MCCT-252-COC (CLEC)
In the Matter of The Application of Midcontinent Communications, A
South Dakota General Partnership, for a Certificate of Convenience and
Authority to Provide CLEC Telecommunications Services Within the
State of Kansas.

EXECUTIVE SUMMARY:

Midcontinent Communications (Midco) filed an Application for authority to provide competitive local exchange (CLEC) and switched access services in the areas served by Southwestern Bell Telephone Company of Kansas d/b/a AT&T Kansas (AT&T) and United Telephone Companies of Kansas d/b/a CenturyLink (CenturyLink) in the state of Kansas. Staff recommends approval of Midco's Application. Staff further recommends the proposed access tariff be approved and effective the date of the Commission Order.

BACKGROUND:

On December 13, 2016, Midco filed for authority to operate as a CLEC in the areas served by AT&T and CenturyLink in the state of Kansas. Midco also requested authority to operate as an interexchange carrier in the state of Kansas and as an eligible telecommunications carrier (ETC) in specific areas in Kansas, which are being addressed in Docket Nos. 17-MCCT-253-COC and 17-MCCT-254-ETC, respectively.

ANALYSIS:

Pursuant to K.S.A. 66-131, no common carrier or public utility shall transact business in the state of Kansas until it shall have obtained a Certificate from the Commission that

public convenience will be promoted by the transaction of said business and permitting said applicants to transact the business of a common carrier or public utility in the state. In making the determination as to whether the public convenience will be promoted by the transaction of said business, the Commission determined that it would look at a number of factors when determining whether a particular application is consistent with the public interest. The factors may include, but are not limited to, the provider's commitment to meet all requirements of the existing statutes and orders.

K.S.A. 2013 Supp. 66-2005 (w) states:

“...telecommunications carriers that were not authorized to provide switched local exchange telecommunications services in this state as of July 1, 1996...must receive a certificate of convenience based upon a demonstration of technical, managerial and financial viability and the ability to meet quality of service standards established by the commission.”

Midco is acquiring certain assets, including the services of company service personnel from Knology of Kansas, Inc. d/b/a WOW! (Knology). Knology currently has approximately fifteen employees supporting telephone, cable, and Internet service. Midco estimates that it will have approximately the same number of employees supporting its telecommunications product in Kansas. Midco will offer telephony services over Knology's current broadband network using the underlying cable facilities. Midco will serve the same Lawrence, Eudora, and Douglas County areas that are currently served by Knology.

Midco will serve both residential and business customers in the state of Kansas. Midco plans to offer over 200 channels of digital cable TV, local, and long distance telephone service with the latest enhanced voice messaging features, and high-speed Internet access, which enables consumers to quickly download video, audio, and graphic files using a cable modem. Midco also plans to provide advanced communications services, such as video-on-demand, subscriber video-on-demand, digital video records, High-Definition Television, interactive television, IP Centrex services, and Passive Optical Network services. The facilities over which telecommunications services will be provided will be interconnected with the public switched telephone network.

Midco has not yet executed interconnection agreements with AT&T and CenturyLink, but is currently in negotiations with both entities. Midco should be reminded that it may not operate as a CLEC in the state of Kansas until interconnection agreements have been filed with and approved by the Commission.

Staff has reviewed this Application and the information supports Midco's technical, managerial, and financial capabilities to provide local exchange and exchange access services in the state of Kansas. Midco serves over 100,000 telecommunications customers in Minnesota, South Dakota and North Dakota, and its key personnel have extensive industry experience. In addition, it will utilize personnel currently employed by Knology.

Midco is a South Dakota general partnership and is properly registered as such with the Kansas Secretary of State's Office. Midco stated that it is committed to adhering to the Commission's prescribed business practice by submitting a signed Telecommunications Carrier Code of Conduct document, dated December 13, 2016.

To the extent that the Company's presence in Kansas would increase the consumer's options for CLEC services, Staff believes the general public would benefit from Commission approval of this Application.

RECOMMENDATION:

Staff recommends the Commission grant this Application authorizing Midco to provide CLEC and exchange access services in the areas served by AT&T and CenturyLink in the state of Kansas. Staff recommends the proposed access tariff be approved and effective the date of the Commission Order.

Midco should be reminded that it may not operate as a CLEC in the state of Kansas until interconnection agreements have been filed with and approved by the Commission.

Upon approval, Midco is required to file an annual interrogatory, remain current with the Kansas Secretary of State's office, pay all Commission and Kansas Universal Service Fund (KUSF) assessments, follow the Telecommunications Carrier Code of Conduct, follow all applicable Commission Orders, and report revenues to the KUSF third party administrator. Failure to meet these requirements could result in the revocation of its Certificate.

CERTIFICATE OF SERVICE

17-MCCT-252-COC

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 JAN 05 2017.

THOMAS E. GLEASON, JR., ATTORNEY
GLEASON & DOTY CHTD
PO BOX 6
LAWRENCE, KS 66049-0006
Fax: 785-856-6800
gleason@sunflower.com

PAT MASTEL, ASSOCIATE GENERAL COUNSEL
MIDCONTINENT COMMUNICATIONS
D/B/A MIDCO
3901 N LOUISE AVE
SIOUX FALLS, SD 57107-0112
pat.mastel@midco.com

OTTO NEWTON, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD ROAD
TOPEKA, KS 66604
Fax: 785-271-3167
o.newton@kcc.ks.gov
Hand Delivered

NICOLE STEPHENS, KUSF ADMINISTRATOR MANAGER
GVNW CONSULTING, INC.
3220 PLEASANT RUN SUITE A
SPRINGFIELD, IL 62711
Fax: 719-594-5803
nstephens@gvnw.com

/S/ DeeAnn Shupe
DeeAnn Shupe

Order Mailed Date

JAN 06 2017