

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

Before Commissioners: Thomas E. Wright, Chairman
 Michael C. Moffet
 Joseph F. Harkins

In the Matter of the Application of Southwestern)
Bell Telephone Company for Price Deregulation)
of Residential and Business Telecommunications) Docket No. 09-SWBT-435- PDR
Services in the Cheney, Coffeyville, Garden Plain,)
Cherryvale and Halstead, Kansas Exchanges)
Pursuant to K.S.A. 2007 Supp. 66-2005(q)(1).)

**ORDER APPROVING AT&T'S APPLICATION
FOR PRICE DEREGULATION**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for determination. Having examined its files and records, and being duly advised in the premises, the Commission grants the application of Southwestern Bell Telephone Company d/b/a AT&T Kansas (AT&T) for price deregulation of residential and business telecommunications services in the Cheney, Coffeyville, Garden Plain, McPherson, Plainville, Cherryvale, and Halstead exchanges in the State of Kansas pursuant to K.S.A. 2007 Supp. 66-2005 (q)(1)(C) and (D).

1. AT&T filed its application on November 21, 2008, requesting price deregulation of business and residential telecommunications services in the Cheney, Coffeyville, Garden Plain, McPherson, Plainville, Cherryvale, and Halstead exchanges in the State of Kansas pursuant to K.S.A. 2007 Supp. 66-2005(q)(1)(C) and (D) (Application).

2. On December 9, 2008, Commission staff (Staff) filed its Memorandum analyzing the Application.

3. Staff noted that K.S.A. 2007 Supp. 66-2005(q)(1)(C) and (D) govern the price deregulation of telecommunications services of price cap carriers, such as AT&T, in exchanges in which there are fewer than 75,000 local exchange access lines served by all providers. Further, AT&T must demonstrate that there are two or more nonaffiliated telecommunications carriers or other entities that are nonaffiliated with AT&T, providing local telecommunications services to business and residential customers, regardless of whether the entity provides local service in conjunction with other services in the exchange area. One of such nonaffiliated telecommunications carriers or entities shall be required to be a facilities-based carrier or entity and not more than one of such nonaffiliated carriers or entities shall be a provider of commercial radio (wireless) services in that exchange.

4. Staff reported that all the exchanges identified in the Application had fewer than 75,000 local exchange access lines. Further, the Application identified two or more nonaffiliated carriers or entities, one of which was a facilities-based carrier or entity, that were not affiliated with AT&T, providing local telecommunication services to business and residential customers in the targeted exchanges.

5. Staff contacted the carriers identified in the Application to determine whether they were unaffiliated competing carriers not affiliated with AT&T. Staff determined that each of the target exchanges had two or more unaffiliated carriers or other entities, one of which was facilities-based, nonaffiliated with AT&T as the local exchange provider, furnishing telecommunications services to business and residential customers.

6. Based upon the responses of the carriers identified in the applications, Staff determined that the Application demonstrated that the requirements of K.S.A. 2007 Supp.

66-2005(q)(1)(C) and (D) had been satisfied in the Cheney, Coffeyville, Garden Plain, McPherson, Plainville, Cherryvale, and Halstead exchanges. Staff recommended approval of the Application.

7. The Commission has reviewed Staff's Memorandum, finds it thorough and reasonable, and adopts it as if fully set forth herein.

8. In accordance with K.S.A. 2007 Supp. 66-2005(q)(1)(C) and (D), the Commission concludes that the Application should be granted for the exchanges of Cheney, Coffeyville, Garden Plain, McPherson, Plainville, Cherryvale, and Halstead.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Application of AT&T for price deregulation of business and residential telecommunications in the Cheney, Coffeyville, Garden Plain, McPherson, Plainville, Cherryvale, and Halstead exchanges is granted.

B. The Commission retains jurisdiction over AT&T and the subject matter of this docket for the purpose of issuing additional orders that it deems necessary.

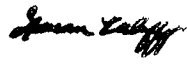
BY THE COMMISSION, IT IS SO ORDERED.

Wright, Chmn.; Moffet, Com.; Harkins, Com.

Dated: DEC 12 2008

ORDERED MAILED

DEC 12 2008

 **EXECUTIVE
DIRECTOR**

Susan K. Duffy, Executive Director

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