# THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Andrew J. French, Chairperson Dwight D. Keen Annie Kuether		
In the Matter of an Investigation the Affordable Local Service Ra of-Return Regulated Carriers and Assessment Rate for the Twenty-the Kansas Universal Service Full March 1, 2025.	ttes for Rate- ) d the Annual ) Ninth Year of	Docket No. 25-GIMT-141-GIT	

#### ORDER ADOPTING KUSF PRO-RATA SUPPORT ADJUSTMENTS

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 records, the Commission finds and concludes:

- 1. On September 17, 2024, the Commission opened this Docket to determine the Kansas Universal Service Fund (KUSF) Year 29 Assessment Rate, effective March 1, 2025, through February 28, 2026, (Year 29) pursuant to K.S.A. 66-2008(a) and Docket No. 94-GIMT-478-GIT.
- 2. On December 13, 2024, Steve Garrett, Deputy Chief of Telecommunications, filed direct testimony on behalf of Commission Staff (Staff). Mr. Garrett's pre-filed testimony recommended that the Commission adopt an assessment rate of 12.15% for KUSF Year 29.1
- 3. Mr. Garrett explained Staff's calculation of each KUSF obligation, including \$30 million for the Rural Local Exchange Carriers (RLECs), the resulting pro-rata KUSF support reduction, and each RLEC's resulting annual KUSF support.<sup>2</sup> Additionally, Mr. Garrett outlined

<sup>&</sup>lt;sup>1</sup>Direct Testimony of Steve Garrett, p. 3 (Dec. 13, 2024).

<sup>&</sup>lt;sup>2</sup>Id. at 9-10; Attachment A, p. 2.

the amount of KUSF support each RLEC would receive subject to the \$30 million cap mandated by K.S.A. 66-2008(e)(3), which were attached to his testimony.

- 4. K.S.A. 66-2008(e)(3) caps the amount of annual KUSF support distributed to all local exchange carriers operating under traditional rate of return regulation at \$30 million. In 2016, the Legislature added language to K.S.A. 66-2008(e)(3) to clarify that once the cap is met, each carrier's KUSF support shall be pro-rated by the Commission based on the amount of support each such carrier would have received absent the cap. The levels of support recommended by Staff is subject to change dependent on the outcome of future support adjustments.
- 5. On January 8, 2025, the Commission issued its *Order Adopting Revised Intrastate Access Rates, Revenues and KUSF Adjustments; Directing RLEC Tariff Filings* in Docket No. 25-GIMT-164-GIT which recognized that the RLEC's annual KUSF support would increase a net \$7,068.00, annually, effective July 1, 2025. On February 19, 2025, the Commission issued an *Order Nunc Pro Tunc Correcting Order* to correct a typographical error in the previous order.
- 6. On June 20, 2025, Staff filed a Report and Recommendation and calculations to recalculate the RLECs' KUSF support levels as a result of the Commission's January 8, 2025, and February 19, 2025, Orders and still maintain the \$30 million dollar cap as required by K.S.A. 66-2008(e)(3). Staff recommended the Commission adopt the revised RLEC-KUSF pro-rata support calculations. <sup>4</sup>
- 7. No party filed a response to Staff's Report and Recommendation disputing the recalculated levels of the RLECs' KUSF support levels.
- 8. The Commission adopts as findings Staff's KUSF pro-rata support calculations as set forth in Attachment A to Staff's Report & Recommendation, filed on June 20, 2025.

<sup>&</sup>lt;sup>3</sup>Notice of Filing of Staff's Report and Recommendation, Exhibit A (Jun. 20, 2025).

<sup>&</sup>lt;sup>4</sup>Staff's R&R at Exhibit A.

9. The Commission concludes Staff's recommendations are just and reasonable.

# THEREFORE, THE COMMISSION ORDERS:

A. Staff's calculations of the RLECs' revised pro-rata KUSF support adjustments and resulting KUSF support, attached as Attachment A to Staff's Report and Recommendation, are adopted.

**B.** Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1). <sup>5</sup>

### BY THE COMMISSION IT IS SO ORDERED.

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Dated: \_ 07/15/2025

Celeste Chaney-Tucker
Executive Director

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<sup>&</sup>lt;sup>5</sup>K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

# **CERTIFICATE OF SERVICE**

#### 25-GIMT-141-GIT

I, th	ne undersigned, c	ertify that a true copy	of the attached	Order has	been served to	o the following	by means c	t
electronic service on	07/15/2025							
ele	ctronic service on							

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# **CERTIFICATE OF SERVICE**

25-GIMT-141-GIT

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