

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

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

In the Matter of An Investigation to Determine)
the Assessment Rate for the Twenty-Second) Docket No. 18-GIMT-084-GIT
Year of the Kansas Universal Service Fund,)
Effective March 1, 2018.)

ORDER ADOPTING KUSF ASSESSMENT RATE

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. On August 31, 2017, the Commission opened the immediate docket to determine the Kansas Universal Service Fund (KUSF) Year 22 Assessment Rate, effective March 1, 2018, through February 28, 2019, (Year 22) pursuant to K.S.A. 66-2008(a) and Docket No. 94-GIMT-478-GIT.

2. On December 20, 2017, Sandra K. Reams filed direct testimony in this proceeding with several attachments. Ms. Reams' pre-filed testimony recommended that the Commission adopt an assessment rate of 7.50% for KUSF Year 22.¹

3. The assessment rate was calculated based upon several factors. First, Staff examined the KUSF funding obligations of \$41.0 million, comprised of: 1) \$38.3 million for high-cost support; 2) \$2.1 million for the Telecommunications Relay Service, Telecommunications Access, and Lifeline Service programs; and 3) \$553,000 for KUSF administration and audit

¹Direct Testimony of Sandra K. Reams, p. 2 (Dec 20, 2017).

expenses. Second, Staff estimated there would be a KUSF balance, or reserve, of \$2.6 million as of February 28, 2018. Third, Staff calculated a \$2.9 million Contingency Fund Allowance. Finally, Staff projected a revenue base of \$549.9 million from which to collect the KUSF obligations.

5. The Commission's Order of August 31, 2017, directed parties to notify Staff if they became aware of any computational errors in Staff's calculations. To date, none of the parties have identified any errors materially affecting Staff's calculations.

6. On January 9, 2018, Staff filed a Motion with the Commission requesting cancellation of the hearing scheduled in this docket for January 17, 2018, and requesting a Commission decision based upon the pre-filed testimony of Ms. Reams.

7. The Commission granted Staff's request to cancel the hearing on January 11, 2018.

8. Having reviewed the pre-filed testimony in this docket, the Commission finds that Staff's recommendations should be adopted.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Assessment Rate for KUSF Year 22, effective March 1, 2018, through February 28, 2019, shall be 7.50%.

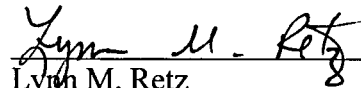
B. Parties have 15 days, plus three days if service is by mail, from the date this Order was served in which to petition the Commission for reconsideration of any issue or issues decided herein. K.S.A. 66-118b; K.S.A. 77-529(a)(1).

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.

Albrecht, Chair; Emler, Commissioner; Apple, Commissioner

Dated: JAN 18 2018



Lynn M. Retz
Secretary to the Commission

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EMAILED

JAN 18 2018

CERTIFICATE OF SERVICE

18-GIMT-084-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 JAN 18 2018.

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CERTIFICATE OF SERVICE

18-GIMT-084-GIT

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