

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 Investigation to)
Determine a New Affordable Rate for Rate) Docket No. 07-GIMT-276-GIT
of Return Regulated Companies and the)
March 1, 2007 Assessment for the Eleventh)
Kansas Universal Service Fund Year.)

ORDER ACCEPTING AUDIT REPORT

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 and being fully advised in the premises, the Commission finds and concludes as follows:

1. On October 6, 2009, the Commission received GVNW Consulting, Inc.'s (GVNW) annual report of audits performed for the Kansas Universal Service Fund (KUSF) fiscal year March 2007 through February 2008. Commission staff (Staff) filed a motion on November 20, 2009, requesting the Commission accept GVNW's report and attaching GVNW's report to the motion. Staff's motion briefly summarized the report and noted that GVNS made two recommendations for future audits and requested the Commission issue an order accepting the audit report for the 2007-2008 KUSF fiscal year.

2. GVNW's recommendations for future audits were to a) increase the revenue threshold for companies eligible for a desk audit, and b) change the KUSF carrier review procedures by adding clarification that customer rates may be based on rate-range pricing, individual pricing, and contracts in addition to tariffs. GVNW explained this suggestion in detail in the report.

3. In its memorandum, Staff indicated that it served the notice of filing by posting the same on the Commission's webpage. There have been no comments on Staff's report. The Commission finds that the suggestions made by GVNW in its audit report are conducive to streamlining and refining future audits and, as a result, adopts GVNW's recommendations in total.

4. The Commission finds the audit report to be satisfactory and hereby adopts the same, with the recommendations made by GVNW for future audits as contained in the audit report. The Commission directs that this order be served by posting it on the Commission's website.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. GVNW's audit report for KUSF fiscal year 2007-2007 is accepted by the Commission and shall be served by posting on the Commission's website.


B. The parties have fifteen days, plus three 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. 2008 Supp. 77-529(a)(1).

C. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

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

Dated: JAN 11 2010



Susan K. Duffy
Executive Director

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