## THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

John Wine, Chair Cynthia L. Claus Brian J. Moline

In the Matter of the Audit	)	
of Sprint Spectrum, L.P., for KUSF Purposes,	)	Docket No. 00-SSLC-629-AUD
Pursuant to K.S.A. 66-2010(b)(1).	)	

## No. 3 ORDER DIRECTING SPRINT SPECTRUM, L.P. TO REFUND

Now, the above-captioned matter comes on before the State Corporation of the State of Kansas (Commission) on its own motion for consideration and decision. After examining its files and records, and being duly advised in the premises, the Commission finds and concludes the following.

- 1. On February 1, 2000, the Commission issued Order No. 1 in this docket, directing the National Exchange Carrier Association (NECA) to commence an audit of Sprint Spectrum, L.P. (Sprint) for Kansas Universal Service Fund (KUSF) purposes. NECA's preliminary audit report, dated June 29, 2000, noted that two issues were unresolved: (1) Sprint had not assessed the KUSF surcharge to tax-exempt entities and (2) Sprint did not use the correct wireless rate for wireless intrastate long distance calls.
- 2. With respect to tax-exempt entities, the KUSF surcharge is not a tax and should be assessed to such entities. With respect to the other issue, the Commission recognized that some of the wireless companies' traffic is wireline to wireless. As such, the Commission determined that all appropriate charges for wireless carriers should be surcharged at the wireless rate.

- 3. On September 26, 2000, the Commission issued its Order No. 2 in this docket, instructing Sprint to determine the correct amount that should have been assessed and collected from tax-exempt entities and wireless companies. Sprint was further instructed to provide its findings to NECA.
- 4. On September 19, 2001, NECA reported that Sprint had completed the process of issuing refunds or credits to all active customers. NECA noted that Sprint was engaged in discussion with the Commission Staff with respect to the manner in which refunds to inactive customers should be accomplished. Staff determined that those refunds totaled \$14,200, but that the amount that would be due to each inactive customer was so minimal that the expense of identifying those customers and completing the refund would exceed the outstanding amount.
- 5. The Commission concludes that the \$14,200 should be credited evenly to Sprint's current customers. This method is consistent with previous refunds in such instances and prevents needless expenditures. Sprint is ordered to complete the credits by July 30, 2002.

## IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

- A. The Commission has jurisdiction over the parties and the subject matter in this docket.
- B. Sprint is ordered to credit the remainder of the excess KUSF surcharges evenly over its current customer base by July 30, 2002.
- C. Pursuant to K.S.A. 2001 Supp. 66-118(b), the parties have fifteen days, plus three days if service of this Order is by mail, from the date of this Order in which to petition the Commission for reconsideration of any matter decided herein. Petitions for reconsideration should be served on the Executive Director.
- D. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further order or orders as it may deem necessary.

## BY THE COMMISSION IT IS SO ORDERED.

Wine, Ch	r.; Claus, Comm.; Moline,	Comm.
Dated:	MAY 0 1 2002	MAY 0 1 2002
		Asky S. Whyoner Executive Director
		Jeffrey S. Wagaman
		Executive Director