



Senate Utilities Committee
Coleen Jennison
January 25, 2007

Thank you Mr. Chairman and members of the committee, I am Coleen Jennison, Director of Government Affairs for Cox Communications.

We appreciate your allowing us to share our views as they relate to SB 49.

First allow me to state that Cox Communications voluntarily pays on all CDT revenue, regardless of the delivery method of the telephone service.

However, we believe it is premature to pass legislation or implement the fee on interconnected VoIP providers. The Federal Communications Commission (FCC) Interim Order is just that, Interim, and the final decisions have not been made on this topic. In addition, the FCC's order has been appealed in the federal courts.

Specifically, the Interim order avoided making a determination whether VoIP service is entirely interstate or a combination of interstate and intrastate. Nor did the FCC address whether interconnected VoIP service is an information service or a telephone service.

Cox Communications believes there are still too many unanswered questions regarding how the courts and the FCC will rule on this topic and how those decisions may affect state-specific universal service funds.

In our filings at the Kansas Corporation Commission (KCC), Cox Communications indicated that depending on the final outcome of the federal ruling, the KCC could be put in the position of having to make refunds to carriers/customers if the state determinations are not compatible with the FCC orders.

Again, Cox Communications voluntarily pays into the Kansas Universal Service Fund. Once the final determinations are made on this issue, Cox Communications will abide by those decisions. Until that time, we believe that any legislative action would be premature.

Thank you Mr. Chairman and members of the committee for allowing me the opportunity to testify. I would be happy to answer any questions.