THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Pat Apple, Chairman Shari Feist Albrecht Jay Scott Emler

In the Matter of a General Investigation for) Dow Management Company, Inc. d/b/a Avoxi, Inc. to Show Cause Why this Commission) Should Not Initiate Sanctions and Fines and/or refer to the Attorney General's Office for Non-Compliance with Commission Orders and Kansas Statutes.

Docket No. 18-DMCV-012-SHO

ORDER RECOGNIZING COMPLIANCE; CLOSING DOCKET

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NOW, 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 July 25, 2017, and based upon information provided by GVNW Consulting, Inc. (GVNW) as well as Commission Staff (Staff), the Commission issued an Order opening this docket and directed Dow Management Company, Inc. d/b/a Avoxi, Inc. (Avoxi) to show cause why it should not be subject to penalties for failure to comply with Commission Orders and Kansas Universal Service Fund (KUSF) statutory obligations.

2. Staff submitted a Report and Recommendation (R&R) to the Commissioners on August 28, 2017, attached hereto and made a part hereof by reference.

3. Staff notes that as of July 1, 2017, Avoxi owed \$243.60 of penalties to the KUSF, and on August 1, 2017, Avoxi was assessed an additional \$2.44 delinquent penalty, resulting in Avoxi owing \$246.04 in past due penalties to the KUSF.

4. On August 25, 2017, Avoxi remitted payment of the \$246.04 outstanding delinquent penalties and is now in compliance with its KUSF obligations.

5. Therefore, Staff recommended the Commission issue an Order recognizing Avoxi is current with its KUSF obligations and closing this docket.

6. The Commission finds Staff's findings and recommendation to be reasonable and hereby adopts the same.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Commission recognizes that Avoxi is current with its KUSF obligations.

B. This docket is closed.

C. The parties have fifteen (15) days, plus three (3) 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. 66-118; K.S.A. 77-529(a)(1).

D. 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.

Apple, Chairman; Albrecht, Commissioner; Emler, Commissioner

Dated: SEP 1 2 2017

Lýhn M. Retz Secretary to the Commission

MRN

Order Mailed Date SEP 1 3 2017 Utilities Division 1500 SW Arrowhead Road Topeka, KS 66604-4027

Pat Apple, Chairman Shari Feist Albrecht, Commissioner Jay Scott Emler, Commissioner



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Sam Brownback, Governor

REPORT AND RECOMMENDATION UTILITIES DIVISION

- TO: Chairman Pat Apple Commissioner Shari Feist Albrecht Commissioner Jay Scott Emler
- **FROM:** Sandy Reams, Assistant Chief of Telecommunications Christine Aarnes, Chief of Telecommunications Jeff McClanahan, Director of Utilities
- **DATE:** August 28, 2017
- SUBJECT: Docket No. 18-DMCV-012-SHO In the Matter of a General Investigation for Dow Management Company, Inc. d/b/a Avoxi, Inc. to Show Cause Why this Commission Should Not Initiate Sanctions and Fines and/or refer to the Attorney General's Office for Non-Compliance with Commission Orders and Kansas Statutes.

EXECUTIVE SUMMARY:

In its July 25, 2017 Order opening this Docket, the Commission directed Dow Management Company, Inc. d/b/a Avoxi, Inc. (Avoxi) to show cause why it should not be subject to penalties, sanctions, or fines and/or referred to the Kansas Attorney General's Office for failure to comply with Commission Orders and its Kansas Universal Service Fund (KUSF) statutory obligations within thirty days of receipt of the Order.

On August 25, 2017, Avoxi remitted a \$246.04 payment to the KUSF to pay all outstanding penalties and is now in compliance with its KUSF obligations. Staff, therefore, recommends the Commission issue an Order recognizing Avoxi's compliance and closing this Docket.

BACKGROUND:

On July 25, 2017, the Commission issued an Order opening this Docket and directed Avoxi to show cause, within thirty days of receipt of the Order, why it should not be subject to penalties, sanctions, or fines and/or referred to the Kansas Attorney General's Office for failure to comply with Commission Orders and its KUSF statutory obligations.

As of July 1, 2017, Avoxi owed \$243.60 of penalties to the KUSF. On August 1, 2017, Avoxi was assessed an additional \$2.44 delinquent penalty, resulting in the Company owing \$246.04 in

past due penalties to the KUSF.

On August 25, 2017, Avoxi remitted payment of the \$246.04 outstanding delinquent penalties and is now in compliance with its KUSF obligations.

ANALYSIS:

GVNW assessed penalties to Avoxi in accordance with Commission Orders; however, Avoxi failed to pay the penalties. Avoxi was assessed \$243.60 of penalties as of July 1, 2017, and, on August 1, 2017, was assessed an additional \$2.44 delinquent penalty.

On August 25, 2017, Avoxi remitted payment for the \$246.04 of KUSF penalties it has been assessed. Avoxi is in compliance with all other KUSF obligations.

RECOMMENDATION:

Staff recommends that the Commission issue an Order recognizing Avoxi is current with its KUSF obligations and closing this Docket.

CERTIFICATE OF SERVICE

18-DMCV-012-SHO

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of

first class mail/hand delivered on

SEP 1 2 2017

WESTON EDMONDS DOW MANAGEMENT CO, INC. D/B/A Avoxi 1000 CIRCLE 75 PKWY STE 500 ATLANTA, GA 30339 Fax: 770-937-9720 weston@avoxi.com

NICOLE STEPHENS, KUSF ADMINISTRATOR MANAGER GVNW CONSULTING, INC. 3220 PLEASANT RUN SUITE A SPRINGFIELD, IL 62711 Fax: 719-594-5803 nstephens@gvnw.com MICHAEL NEELEY, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604-4027 Fax: 785-271-3167 m.neeley@kcc.ks.gov

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/S/ DeeAnn Shupe DeeAnn Shupe

> Order Mailed Date SEP 1 8 2017