

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

Before Commissioners: Dwight D. Keen, Chair,
 Shari Feist Albrecht
 Susan K. Duffy

In the Matter of a General Investigation for)
Vitcom, LLC to Show Cause Why this)
Commission Should Not Initiate Sanctions)
and Fines and/or Suspend, Cancel, or) Docket No. 20-VTMT-166-SHO
Revoke its Certificate of Convenience to)
Provide Interexchange Carrier and)
Competitive Local Exchange Carrier)
Services for Non-Compliance with)
Kansas Statutes and Commission Orders.)

ORDER REVOKING CERTIFICATE

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

1. The Commission has broad supervisory authority over all telecommunications public utilities in the state of Kansas and has duty to inquire into any violation of law by a telecommunications public utility and its officers, agents and employees.¹

2. Vitcom, LLC (Vitcom) has its corporate headquarters in Brooklyn, New York and offers Competitive Local Exchange Carrier and Interexchange Services in Kansas. It was issued a Certificate of Convenience and Authority in Docket No. 16-VTMT-152-COC. After receiving a report from GVNW Consulting, Inc. (GVNW) regarding Vitcom's failure to register for the Kansas Universal Service Fund (KUSF) during fiscal Operating Year 23, the Commission Staff (Staff) conducted a review to determine whether Vitcom was in violation of state statutes and regulations. On September 27, 2019, the Commission Staff submitted a Report and

¹ K.S.A. 2018 Supp. 66-1,195.

Recommendation dated September 26, 2019 to the Commission. The Report and Recommendation enumerates filing and payment delinquencies, including: (1) payment of Commission assessments; (2) filing an Annual Interrogatory; (3) payment of its Kansas Universal Service Fund (KUSF) assessments; (4) filing a Kansas property tax return and (5) maintaining its corporate authority with the Kansas Secretary of State. Based on its review, the Staff advised the Commission to open a proceeding for the purpose of directing Vitcom to show cause why it should not be subject to penalties, sanctions or fines in addition to having its interexchange authority suspended, canceled or revoked for failure to comply with its statutory and regulatory obligations.

3. Based on the Staff investigation, the Commission on October 15, 2019, issued an Order to Show Cause directing Vitcom to address within thirty days why it should not be subject to penalties, sanctions or fines and/or have its Certificate of Convenience and Authority to provide interexchange service suspended, canceled or revoked for its non-compliance.

4. On November 20, 2019, the Staff submitted a Report and Recommendation dated November 18, 2019, advising the Commission that Vitcom had failed to respond to the Order to Show Cause and recommending the Commission issue an Order Revoking Vitcom's Certificate.

5. In its Report and Recommendation, the Staff indicated Vitcom was still delinquent with respect to Commission statutory and regulatory requirements, as well as having failed to file property tax returns and maintain its corporate authority to do business in the state of Kansas. The Staff noted Vitcom had not paid regulatory assessments in the amount of \$200.00 and had not registered with the KUSF or paid KUSF assessments. Additionally, Staff noted Vitcom had not filed Annual Interrogatories for calendar years 2017 and 2018. Consequently, Staff supports revocation of the Vitcom Certificate and Authority and has further recommended GVNW be directed to close the Vitcom KUSF account and remove it from the delinquent contributor list.

6. Based on the Staff analysis, the Commission finds the Staff Report and Recommendation dated November 18, 2019, which is attached and incorporated by reference, should be adopted and Vitcom's Certificate of Convenience and Authority to provide interexchange carrier service in Kansas should be revoked for failure to comply with Commission regulatory requirements, KUSF reporting requirements, pay Commission assessments, file property tax returns, maintain corporate authority, and file a response to the Order to Show Cause.

IT IS THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Vitcom, LLC's Certificate of Convenience and Authority to operate as an interexchange carrier in the state of Kansas is revoked.

B. GVNW is directed to close the Vitcom, LLC KUSF account and remove it from the delinquent contributors list.

C. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).²

D. 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.

Keen, Chair; Albrecht, Commissioner; Duffy, Commissioner

Dated: 12/17/2019



Lynn M. Retz
Executive Director

² K.S.A. 66-118b; K.S.A. 77-503(c); and K.S.A. 77-531(b).

**REPORT AND RECOMMENDATION
UTILITIES DIVISION**

TO: Chair Dwight D. Keen
Commissioner Shari Feist Albrecht
Commissioner Susan K. Duffy

FROM: Sandy Reams, Assistant Chief of Telecommunications
Christine Aarnes, Chief of Telecommunications
Jeff McClanahan, Director of Utilities

DATE: November 18, 2019

SUBJECT: Docket No. 20-VTMT-166-SHO
In the Matter of a General Investigation for Vitcom, LLC to Show Cause Why this Commission Should Not Initiate Sanctions and Fines and/or Suspend, Cancel, or Revoke its Certificate of Convenience to Provide Interexchange Carrier and Competitive Local Exchange Carrier Services for Non-Compliance with Kansas Statutes and Commission Orders.

EXECUTIVE SUMMARY:

On October 15, 2019, the Commission adopted an Order requiring Vitcom, LLC (Vitcom) to show cause, within 30 days of the Order, why the Company should not be subject to sanctions and fines and its authority to Interexchange Carrier (IXC) and Competitive Local Exchange Carrier (CLEC) services canceled, suspended or revoked (Show Cause Order).

Vitcom did not respond to the Commission's Show Cause Order and remains delinquent with its Kansas obligations. Staff recommends the Commission revoke Vitcom's IXC and CLEC certificates to operate in Kansas. Staff also recommends GVNW Consulting, Inc. (GVNW), be directed to close Vitcom's account and remove the Company from its delinquent contributors list.

BACKGROUND:

On September 26, 2019, Staff filed a Report and Recommend (R&R) to advise the Commission that Vitcom was delinquent with: (1) payment of \$200 of Commission assessments; (2) filing an Annual Interrogatory for the calendar years ended December 31, 2017, and 2018; (3) registering with the Kansas Universal Service Fund (KUSF) and payment of assessments; (4) filing its 2017, 2018, and 2019 Kansas property tax return; and (5) maintaining its corporate authority with the Kansas Secretary of State. Staff recommended that the Commission open a proceeding to require

Vitcom to show cause why it should not be subject to sanctions, penalties, or fines and/or its CLEC and IXC Certificates should not be suspended, canceled, or revoked for failure to comply with its Kansas obligations. Staff also recommended Vitcom be required to cure all of its deficiencies within 30 days of the issuance of an Order.

ANALYSIS:

Vitcom did not file a response to the Show Cause Order and did not contact GVNW or Staff regarding its Kansas obligations. Vitcom remains delinquent with all of its obligations identified above.

RECOMMENDATION:

Staff recommends the Commission revoke Vitcom's IXC and CLEC Certificates to operate in Kansas. Staff also recommends GVNW be directed to close Vitcom's KUSF account and remove the Company from its delinquent contributors list.

CERTIFICATE OF SERVICE

20-VTMT-166-SHO

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of
electronic service on 12/17/2019.

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/S/ DeeAnn Shupe

DeeAnn Shupe