

IN THE MATTER OF VEE EM, INC.
PURA SPEER VIRTUAL MEDIA, LTD'S
FAILURE TO SUBMIT A REPORT AND
PAY THE CROSS RECEIPTS TAX

Public Utilities Commission of the State of South Dakota

MEMORANDA

*11/20/01 Notice for and notice of Show Cause Hearing,
11/20/01 Notice of Hearing,
11/20/01 Notice of Hearing of Show Cause Hearing, Notice of Entry of Land Order;
11/20/01 Notice of Hearing*

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

ON THE MATTER OF VEE EM, INC. F/K/A)	ORDER FOR AND NOTICE
SPEER VIRTUAL MEDIA, LTD.'S FAILURE TO)	OF SHOW CAUSE HEARING
SUBMIT A REPORT AND PAY THE GROSS)	
RECEIPTS TAX)	TC01-187

SDCL 49-1A-1 establishes the South Dakota Public Utilities Commission (Commission) Gross Receipts Tax Fund. This fund is financed by assessing a tax of .0015 or ~~0.0015~~ ~~whichever is greater~~, on the annual intrastate gross receipts received by a utility from the company's customers within the state of South Dakota, and requires that all ~~telecommunications~~ ~~communications~~ companies submit on June 1, each year, a report of the amount of ~~gross~~ gross receipts received during the preceding calendar year and pay the tax. A penalty of 10% of the tax is imposed for each month of delinquency.

Despite reminder letters from the Commission on May 3, 2001 and July 13, 2001, Vee Em, Inc. (Vee Em) has failed to file the required report and pay the gross receipts tax.

Pursuant to SDCL 49-1A-6, the Commission may collect this debt by distress and ~~sale~~ sale of any personal property of the company within South Dakota. Further, the Commission has the authority, under SDCL 49-31-3, to suspend or revoke the certificate of authority granted to the company, assess a civil fine against the company from \$200 to ~~\$1,000~~ under SDCL 49-31-38, proceed under SDCL 49-31-38.2 or 49-31-38.3 to stop the company from transacting any future business in South Dakota; or take any other ~~enforcement~~ enforcement actions against the company allowed by law.

Vee Em shall appear on December 12, 2001, at 3:00 P.M. (CST) in the Cactus Conference Room, State Capitol Building, 500 E. Capitol, Pierre, South Dakota, to show ~~cause why~~ cause why action should not be taken against the company for failure to comply with SDCL Chapter 49-1A. The hearing is being held pursuant to the Commission's jurisdiction over ~~telecommunications~~ telecommunications companies found at SDCL Chapters 1-26, 49-1, 49-1A, and 49-31, specifically 49-1-11(4), 49-1A-3, 49-1A-4, 49-1A-5, 49-1A-6, 49-31-3, and ARSD ~~26 18 01 45~~

The issue at the hearing is whether the Commission shall fine, or suspend or revoke Vee Em's Certificate of Authority, assess a civil fine against the company, and/or institute ~~collection~~ collection proceedings against Vee Em for failure to pay gross receipts tax.

The hearing shall be an adversary proceeding conducted pursuant to SDCL Chapter 1-26. All parties have the right to be present and to be represented by an attorney. These rights and other due process rights shall be forfeited if not exercised at the hearing. If you or your representative fail to appear at the time and place set for the hearing, the Final Decision will be based solely on the testimony and evidence provided,

After the hearing or a Final Decision may be issued by default pursuant to SDCL 47-25. After the hearing, the Commission will consider all evidence and testimony that was presented at the hearing. The Commission will then enter Findings of Fact, Conclusions of Law and a Final Decision regarding this matter. As a result of the hearing, the Commission shall determine whether to fine, or suspend or revoke Vee Em's Certificate of Authority, assess a civil fine against the company, and/or institute collection proceedings against Vee Em for failure to pay gross receipts tax. The Commission's Final Decision may be appealed by the parties to the state Circuit Court and the state Supreme Court as provided by law. It is therefore

ORDERED that a show cause hearing in the matter of Vee Em shall be held on December 11, 2001 at 1:00 P.M. (CST) in the Cactus Conference Room, State Capitol Building, 600 E. Capitol Pierre, South Dakota. And it is

FURTHER ORDERED that in the event Vee Em shall file an appropriate report and pay the delinquent gross receipts tax, including the 10% penalty for each month of delinquency, the hearing and actions mentioned herein shall not be held or taken, otherwise the order shall remain in effect.

Pursuant to the Americans with Disabilities Act, this hearing is being held in a physically accessible location. Please contact the Public Utilities Commission at 1-800-338-1788 at least 48 hours prior to the hearing if you have special needs so arrangements can be made to accommodate you.

Done at Pierre, South Dakota, this 7th day of November, 2001.

COMMISSIONER OF REVENUE	
The undersigned hereby certifies that the enclosed tax bills were sent to the proper address of the taxpayer or to the person or entity to whom the bills are to be sent, and that the bills are properly prepared and dated.	
<i>William K. Kelle</i>	_____
<i>W. Kelle</i>	_____
Dated this 7th day of November, 2001.	

BY ORDER OF THE COMMISSION:

James A. Burg

JAMES A. BURG, Chairman

Pam Nelson

PAM NELSON, Commissioner

CERTIFIED MAIL RECEIPT
 (Insurance Coverage Provided)

via Envia for Virtual Media

Postmark Here

Return Address (To be completed by sender)
 Name
 Address
 City
 State
 ZIP

Postage & Fees

Return Address (To be completed by sender)
 Name
 Address
 City
 State
 ZIP

Return Address (To be completed by sender)
 Name
 Address
 City
 State
 ZIP

Return Address (To be completed by sender)
 Name
 Address
 City
 State
 ZIP

Return Address (To be completed by sender)
 Name
 Address
 City
 State
 ZIP

I also wish to receive the following services (for an extra fee):

1. Addressee's Address
 2. Restricted Delivery
 Consult postmaster for fee.

4a. Article Number
 7099 32 20 0004 52015702

4b. Service Type
 Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

Return Address (To be completed by sender)
 Name
 Address
 City
 State
 ZIP

Signature
 Date

Thank you for using Return Receipt Service.

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of November 1, 2001 through November 7, 2001

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Debora Kello within five business days of this filing. Phone: 605-773-3705 Fax: 605-773-3809

CONSUMER COMPLAINTS

0101-002 In the Matter of the Complaint filed by Ida Lagge, Scotland, South Dakota, against MCI WorldCom Regarding Unauthorized Switching of Services.

Complainant states that she continuously receives calls from MCI asking her to change her long distance service to MCI. Complainant states that she told the caller that she did not want to change providers. To Complainant's knowledge she did not change her long distance provider to MCI. Complainant accepts blame that her long distance had been changed when she attempted to make a long distance call and she had no long distance service on her line. Complainant requests that the Commission review the tape of her conversation with the MCI representative and put sanctions on MCI. Complainant also requests that all charges be removed and that she be awarded \$1,500.00 from MCI for the undue harassment, mental anguish and the many sleepless nights they have caused her.

Staff Analyst: Mary Neely
Staff Attorney: Karen Cramer
Date Dictated: 11/06/01
Intervention Deadline: N/A

0101-003 In the Matter of the Complaint filed by Margaret Underwood, Pierre, South Dakota, against Talk America, Inc. Regarding Failure to Cancel Telecommunications Services.

Complainant states that she is receiving unauthorized billings by Talk America, Inc. Complainant further states that the company told her that they would remove the monthly charge and refund her money, but on the next bill she was charged again and not given a refund. Complainant states she wants the account closed and a complete refund of all charges.

Staff Analyst: Charlene Lund
Staff Attorney: Kelly Frazer
Date Dictated: 11/07/01
Intervention Deadline: N/A

ELECTRIC

0101-004 In the Matter of the Filing by Otter Tail Power Company for Approval of an Electric Service Agreement for the Supply of Bulk Interruptible Power between Otter Tail Power Company and Valley Queen Cheese Factory, Inc.

On November 1, 2001 the Commission received a filing from Otter Tail Power Company in accordance with South Dakota Codified Law 49-34A. The Agreement is entered into pursuant to Otter Tail's Bulk Interruptible Service Tariff as on file with the Commission.

Staff Analyst: Dave Jacobson
Staff Attorney: Kelly Frazer
Date Dictated: 11/02/01
Intervention Deadline: 11/23/01

Report and Pay the Gross Receipts Tax.

- TE01-470** **in the Matter of Enhanced Communications Network, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-471** **in the Matter of erbia Network, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-472** **in the Matter of Internet Telephone Company's Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-473** **in the Matter of JATO Operating Two Corp.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-474** **in the Matter of LDC Telecommunications, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-475** **in the Matter of NewPath Holdings, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-476** **in the Matter of Ozark Telecom, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-477** **in the Matter of PAM Oil, Inc. d/b/a PAM Communications' Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-478** **in the Matter of PNV, Inc. f/k/a PNV.net, Inc. f/k/a Park 'N View, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-479** **in the Matter of ServiSense.com, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-480** **in the Matter of SouthNet Telecomm Services, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-481** **in the Matter of Special Accounts Billing Group, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-482** **in the Matter of Telera Communications, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-483** **in the Matter of Telicor Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-484** **in the Matter of Telscape USA, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-485** **in the Matter of Teltrust Communications Services, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-486** **in the Matter of TotalAcess.com, Inc.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TE01-487** **in the Matter of Vee Em, Inc. f/k/a Speer Virtual Media, Ltd.'s Failure to Submit a Report and Pay the Gross Receipts Tax.**

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF VEE EM, INC. F/K/A)	FINDINGS OF FACT,
SPEER VIRTUAL MEDIA, LTD.'S FAILURE TO)	CONCLUSIONS OF LAW
SUBMIT A REPORT AND PAY THE GROSS)	AND FINAL ORDER; NOTICE
RECEIPTS TAX)	OF ENTRY OF FINAL
)	ORDER
)	TC01-187

On November 7, 2001, the Public Utilities Commission (Commission) issued an Order for and Notice of Show Cause Hearing against Vee Em, Inc. f/k/a Speer Virtual Media, Ltd. (Vee Em) for failure to submit an annual report and pay the gross receipts tax. The hearing was held as scheduled on December 12, 2001, at 3:00 P.M., in the Cactus Conference Room, State Capitol Building, 500 E. Capitol, Pierre, South Dakota. The reason for the hearing was to give Vee Em an opportunity to show cause why the Commission should not revoke its Certificate of Authority, or other specified actions, for failure to submit an annual report as required by ARSD 20:10:24:04 or pay the gross receipts tax as required by SDCL 49-1A-1. Commissioners Burg and Nelson were present. Also present were Karen E. Cremer, Commission Staff Attorney and Sue Cichos, Deputy Executive Director for the Commission. No representative of Vee Em appeared at the hearing. After hearing the testimony, the Commission voted unanimously to revoke Vee Em's Certificate of Authority for failure to pay the gross receipts tax.

The Commission, having heard the testimony presented at the hearing, makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

- 1 Vee Em is a telecommunications company holding a Certificate of Authority, issued by the Commission, to provide telecommunications services in South Dakota.
- 2 Sue Cichos, Deputy Executive Director for the Commission, sent letters to Vee Em on May 3, 2001 and July 13, 2001, requesting payment of the gross receipts tax as authorized by SDCL 49-1A-1. She testified that Vee Em never paid the gross receipts tax.
- 3 A copy of the Order for and Notice of Show Cause Hearing was sent by certified mail to Vee Em on November 8, 2001.
- 4 No representative of Vee Em appeared at the hearing to show cause why the Commission should not revoke its Certificate of Authority.

CONCLUSIONS OF LAW

- 1 The Commission has jurisdiction over this matter pursuant to SDCL 49-1A-3, 49-1A-4, 49-1A-5, 49-1A-6, and 49-31-3.
- 2 Pursuant to 49-1A-3, the Commission assesses a tax of .0015 or \$250, whichever is greater, on the annual intrastate gross receipts received by a telecommunications company from the company's customers within the state of South Dakota. Pursuant to 49-1A-5, the tax is due on June first of each year.

3 Vee Em has failed to pay the gross receipts tax.

4 The Commission has the authority, under SDCL 49-31-3, to suspend or revoke a Certificate of Authority granted to a company for a willful violation of the laws of this state. Based on the failure of Vee Em to pay the gross receipts tax in violation of 49-1A-5, the Commission ~~revokes Vee Em's~~ Certificate of Authority

Based on the foregoing Findings of Fact and Conclusions of Law, it is therefore

ORDERED, that the Certificate of Authority granted to Vee Em by this Commission is hereby ~~revoked~~ and shall be returned to the Commission within thirty (30) days from the date of this Order.

NOTICE OF ENTRY OF ORDER

PLEASE TAKE NOTICE that this Order was duly entered on the 20th day of December, 2001. Pursuant to SDCL 1-26-32, this Order will take effect 10 days after the date of receipt or failure to accept delivery of the decision by the parties.

Dated at Pierre, South Dakota, this 20th day of December, 2001.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by personal or by first class mail in properly addressed envelopes, with charges prepaid thereon.	
<i>[Signature]</i>	<i>[Date]</i>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

[Signature]

JAMES A. BURG, Chairman

[Signature]

PAM NELSON, Commissioner