

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

IN THE MATTER OF VCI COMPANY'S)	FINDINGS OF FACT,
FAILURE SUBMIT A REPORT AND)	CONCLUSIONS OF LAW AND
PAY THE GROSS RECEIPTS TAX)	FINAL ORDER; NOTICE OF ENTRY
)	OF FINAL ORDER
)	
)	
)	TC10-010

On January 20, 2010, the Public Utilities Commission (Commission) issued an order for and Notice of Show Cause Hearing against VCI Company (Company) for failure to submit an annual report and pay gross tax receipts. The hearing was held as scheduled on March 9, 2010, at 2:00 p.m., in Room 413, State Capitol Building, 500 E. Capitol Avenue, Pierre, South Dakota. The reason for the hearing was to give the Company 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 gross receipts tax as required by SDCL 49-1A-1. Commissioners Johnson, Kolbeck, and Hanson were present. Also present were John Smith, Commission Counsel; Karen Cremer, Commission Staff Attorney; and Cindy Kemnitz, Finance Manager for the Commission. No representatives of the Company appeared at the hearing. After hearing testimony, the Commission voted unanimously to revoke the Company'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. The Company is a telecommunications company holding a Certificate Authority, issued by this Commission, to provide telecommunication services in South Dakota.
2. Cindy Kennitz, Finance Manager for the Commission, sent letters to the Company on June 30, 2009, July 31, 2009, and September 16, 2009, requesting payment of the gross receipts tax as authorized by SDCL 49-1A-1. She testified the Company never paid the gross receipts tax.
3. A copy of the Order and Notice for Show Cause Hearing was sent by certified mail to the Company on January 20, 2010.
4. No representative of the Company 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 0.0015 or \$250.00, 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 July 15th of each year.

3. Company 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 the Company to pay the gross receipts tax in violation of 49-1A-5, the Commission revokes the Company's Certificate of Authority.

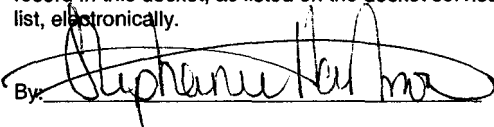
Based on the foregoing Findings of Fact and Conclusions of Law, it is therefore

ORDERED, the Certificate of Authority granted to the Company by this Commission is hereby revoked and any order, certificate or other document evidencing the Certificate of Authority shall be null and void as of the date of this order.

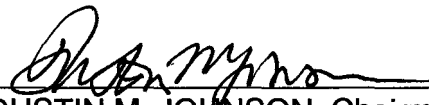
NOTICE OF ENTRY OF ORDER

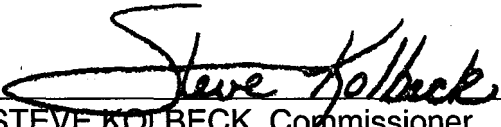
PLEASE TAKE NOTICE this Order will duly entered on the 23rd day of March, 2010. Pursuant to SDCL 1-26-32, this Order will take effect 10 days after the date of receipt or failure to accept delivery of the decision by the parties.

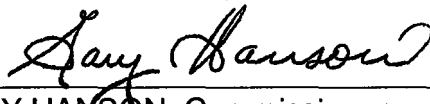
Dated at Pierre, South Dakota, this 23rd day of March, 2010.

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, electronically.
By: <u></u>
Date: <u>03/23/10</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:


DUSTIN M. JOHNSON, Chairman


STEVE KOLBECK, Commissioner


GARY HANSON, Commissioner