

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

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| IN RE: NEXGEN INTEGRATED COMMUNICATIONS, L.L.C. | DOCKET NOS. A-2014-3418, TCU-2000-0030 |
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ORDER ASSESSING CIVIL PENALTY

(Issued February 16, 2016)

On January 20, 2016, the Utilities Board (Board) issued an order finding NexGen Integrated Communications, L.L.C. (NexGen), a public utility as defined in Iowa Code § 476.1 (2015), in violation of Iowa Code §§ 476.10(2)(a) and 477C.7 for failing to pay in a timely manner invoices for the annual dual party assessment for the Iowa Telephone Deaf Relay Service (assessed pursuant to Iowa Code § 477C.7) and NexGen's share of the annual remainder assessment (assessed pursuant to Iowa Code § 476.10). The Board directed NexGen to pay the invoices within ten days of the date of the order. The Board initiated a show cause proceeding to give NexGen the opportunity to contest the finding of a violation and show cause why the Board should not assess a civil penalty for the violation, and to determine whether the Board should revoke the company's certificate of public convenience and necessity (CPCN) in light of NexGen's history of failing to pay invoices and file annual reports in a timely manner.

NexGen paid the invoices on January 21, 2016. On January 21, 2016, NexGen filed a "Response to Order Regarding Violation" acknowledging the violation but stating the delay in payment was not intentional. NexGen states it is a small company with limited staff. NexGen intends to avoid delays in payment in the future and plans to hire an additional accounting staff person. NexGen asks the Board to consider these factors when determining the amount of a penalty and whether to revoke the CPCN.

NexGen is one of many small telecommunications companies doing business in Iowa but has been the only company that has consistently failed to pay invoices and file annual reports on a timely basis. The Board concludes a penalty for these latest violations is warranted. Pursuant to Iowa Code § 476.51, the Board will assess NexGen a civil penalty in the amount of \$2,500. The Board has assessed civil penalties against NexGen in the past for failure to file an annual report on time and pay invoices in a timely manner. The last penalty was in the amount of \$2,500 for failing to file an annual report, assessed in June of 2015. The Board will not raise the amount of the penalty for this current violation in light of NexGen's commitment in its response to hire additional staff and pay invoices in a timely manner.

At this time, because NexGen made a timely response to the Board's order regarding the potential revocation of the company's certificate and has indicated its intent to pay future invoices on a timely basis, the Board will not revoke NexGen's CPCN. The Board notifies NexGen that future violations of requirements to file an

annual report or pay invoices on a timely basis may result in revocation of NexGen's certificate.

IT IS THEREFORE ORDERED:

1. NexGen Integrated Communications, L.L.C., is assessed a civil penalty of \$2,500 for failing to comply with Iowa Code §§ 476.10(2)(a) and 477C.7.
2. Payment, in the form of a check made payable to the Iowa Utilities Board, shall be forwarded to the Iowa Utilities Board, 1375 E. Court Avenue, Rm 69, Des Moines, Iowa 50319-0069. Payment is due within 30 days of the date of this order. The docket numbers listed on this order shall be listed on the check or in the accompanying correspondence.

UTILITIES BOARD

/s/ Geri D. Huser

/s/ Elizabeth S. Jacobs

ATTEST:

/s/ Trisha M. Quijano
Executive Secretary, Designee

/s/ Nick Wagner

Dated at Des Moines, Iowa, this 16th day of February 2016.