

## Feds Launch Investigation into West Virginia Fiber Project

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A communications company in West Virginia is under investigation for the construction of a \$42 million fiber-optic network. The U.S. Commerce Department's inspector general is investigating whether Frontier Communications padded invoices with unnecessary costs while building a network paid for with federal stimulus funds. The investigation will also attempt to uncover whether state officials knowingly allowed cost padding to occur.

Federal investigators told state officials to hand over thousands of documents and invoices related to the project, the [West Virginia Gazette reported](#). *The state has until Oct. 17 to comply with the request.*

The inspector general named eight former and current state officials to be investigated, who include Homeland Security Director Jimmy Gianato, former state Commerce Secretary Kelley Goes and state Office of Technology administrator John Dunlap.

The network, which finished construction in 2013, cost about \$57,800 per mile, compared with a \$30,000-per-mile rate found in other construction projects, according to testimony at a legislative hearing last year.

State officials reported they have not found anything unusual with the invoices they've seen so far, and Frontier Communications Spokesperson Dan Page told the *Gazette*, "We will fully comply with the request, which is a standard aspect of the grant-oversight process."

The investigation stems from allegations that Frontier added extra "processing fees" and "indirect costs," according to a letter by Brian D. Nysenbaum, the inspector general's "investigator-attorney adviser." Investigators are also examining whether Frontier inflated the network's mileage by adding unneeded spools of fiber at public facilities. Frontier reported the project called for 100 extra feet of fiber at each facility, about 12 miles of total fiber across the state.

<http://www.govtech.com/network/West-Virginia-Fiber-Builder-Investigated-for-Padding-Numbers.html>