



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250

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July 19, 2016

Steven V. King, Executive Director and Secretary  
Utilities and Transportation Commission  
1300 S. Evergreen Park Dr. SW  
P.O. Box 47250  
Olympia, WA 98504-7250

RE: *Washington Utilities and Transportation Commission v. Ionex Communications North, Inc.*

Commission Staff's Response to Application for Mitigation of Penalties UT-160565

Dear Mr. King:

On June 14, 2016, the Utilities and Transportation Commission issued a \$1,000 Penalty Assessment in Docket UT-160565 against Ionex Communications North, Inc. for ten violations of Washington Administrative Code (WAC 480-120-382), which requires telecommunications companies to furnish annual reports, supporting documentation and the regulatory fee to the commission no later than May 1 each year, or in this case, May 2 as May 1 was a Sunday.

On July 5, 2016, Ionex Communications North, Inc. wrote the commission requesting mitigation of penalties. In its mitigation request, Ionex Communications North, Inc. does not dispute the violation occurred. The company states, "...communications has undergone a restructuring and the duties for compliance for the WA Annual report moved from Kansas to Atlanta. This restructuring delayed the preparation of this annual report. This is the first time the company is late on this annual filing and we appreciated your consideration with the relief of penalty. We will take measurements so this will not occur in the future."

It is the company's responsibility to ensure that the regulatory fee is paid and the annual report is filed by the May 1 deadline. On February 29, 2016, Annual Report packets were mailed to all regulated telecommunications companies. The instructions page along with Schedule 1, Part A informs the regulated company that it must complete the annual report form, provide the supporting financial reporting documents and pay the regulatory fees, and return the materials by May 2, 2016, to avoid enforcement action.

On June 23, Ionex Communications North, Inc. filed an incomplete annual report and paid the regulatory fee. Commission staff advised the company that a redacted income statement and

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balance sheet are required if the company would like to file their financial documents as confidential. The redacted financials were provided on July 13.

Ionex Communications North, Inc. has been active since 2010 and has never had a violation of WAC 480-120-382. Due to the company's long running compliance, staff recommends a reduced penalty of \$25 per day for a total penalty assessment of \$250

If you have any questions regarding this recommendation, please contact Sean Bennett, Regulatory Analyst, at (360) 664-1157, or [sbennett@utc.wa.gov](mailto:sbennett@utc.wa.gov).

Sincerely,



Sondra Walsh, Director  
Administrative Services