



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 18, 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. TransPac Telecom, Inc.*

Commission Staff's Response to Request for Hearing UT-160600

Dear Mr. King:

On June 16, 2016, the Utilities and Transportation Commission issued a \$1,000 Penalty Assessment in Docket UT-160600 against TransPac Telecom, 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, TransPac Telecom, Inc. wrote the commission requesting a hearing disputing the violation occurred. In its hearing request, the company states, "...It was indicated that the commission mailed 2015 annual report forms but we were not able to receive it. We believe it was lost since we have moved to a new location and it was not forwarded by USPS. We moved in 2015 and did not get the WUTC annual report forms.

On May 5, we filed online and paid the necessary regulatory fees. We were not alerted that the deadline was on May 2nd as we did not get any letter or annual forms from UTC. On May 9, 2016 we received a call from Ms. Amy Clark who informed us that we were missing the annual revenue information on page 4, Part D of our filed annual report. We indicated the annual revenue information and emailed it back to her on the same date, May 9."

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 May 5, 2016, TransPac Telecom, Inc. filed an incomplete 2015 annual report and paid the regulatory fee. Commission staff reached out to TransPac Telecom, Inc. on May 9 and detailed the outstanding information. TransPac Telecom, Inc. provided the missing information on May 9. Due to an administrative error, the annual report was not marked complete at that time. The annual report became complete on May 9. May 9 is five business days from May 2.

Staff does not support the company's request for hearing as commission staff did not receive a complete annual report prior to the May 2 deadline and it is the company's responsibility to file a complete and accurate annual report. TransPac Telecom, Inc. became active in 2008 and has no prior violations of WAC 480-120-382. This is the company's first delinquent filing, staff recommends a reduced penalty of \$25 per day for a total penalty assessment of \$125.

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

Sincerely,

A handwritten signature in blue ink that reads "Sondra Walsh" followed by "Gov S. Walsh" in a smaller, less legible script.

Sondra Walsh, Director
Administrative Services