

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment
Against

DCT TELECOM GROUP, INC.

in the amount of \$1,000

DOCKET UT-160551

ORDER 01

ORDER GRANTING MITIGATION TO
\$250

BACKGROUND

- 1 On February 29, 2016, the Washington Utilities and Transportation Commission (Commission) mailed annual report and regulatory fee forms to all regulated telecommunications companies. The forms included a reminder that companies must file their annual reports and pay their regulatory fees by Monday, May 2, 2016, or face penalties of \$100 for each violation of Commission rules. In the case of continuing violations, each day's continuance is a separate violation. RCW 80.04.405.
- 2 DCT Telecom Group, Inc. (DCT or Company) did not file its annual report on May 2, 2016, and had not made that filing by May 16. On May 17, DCT filed a complete annual report and paid the required regulatory fee. On June 14, the Commission assessed a penalty of \$1,000 against DCT, calculated as \$100 per business day from May 2 to May 16.
- 3 On June 15, 2016, DCT responded to the Commission's penalty assessment, admitting the violations and requesting mitigation based on the written information provided. The Company explained that its financial statements were not available until May 12, 2016.
- 4 On June 28, 2016, Commission staff (Staff) filed a response recommending a penalty reduction to \$25 per day, or \$250, because the Company has no prior violations of WAC 480-120-382.

DISCUSSION

- 5 WAC 480-120-382 requires regulated telecommunications companies to file annual reports and pay regulatory fees by May 1 of each year, or the first business day thereafter. Companies are responsible for complying with their legal obligations, and the Company

should have ensured it received its financial statements in advance of the annual report filing deadline.

- 6 The Commission nevertheless agrees with Staff's recommendation. The Commission may consider a number of factors when entertaining a request for mitigation, including whether the violation was promptly corrected, a company's history of compliance, and the likelihood the violation will recur.¹ Here, DCT corrected the violation by filing its annual report and paying its regulatory fee prior to receiving the penalty assessment. In addition, this is the Company's first violation of WAC 480-120-382 since it became regulated in 2005; given its history of compliance, the violations are unlikely to recur. In light of these factors, the Commission will exercise its discretion to reduce the penalty to \$250.

ORDER

THE COMMISSION ORDERS:

- 7 (1) DCT Telecom Group, Inc.'s request for mitigation of the \$1,000 penalty is
GRANTED in part, and the penalty is reduced to \$250.
- 8 (2) The \$250 penalty is due and payable no later than July 19, 2016.
- 9 The Secretary has been delegated authority to enter this order on behalf of the
Commissioners under WAC 480-07-904(1)(h).

DATED at Olympia, Washington, and effective July 5, 2016.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING
Executive Director and Secretary

¹ Docket A-120061, Enforcement Policy for the Washington Utilities and Transportation Commission (January 7, 2013).

NOTICE TO PARTIES: This is an order delegated to the Executive Secretary for decision. As authorized in WAC 480-07-904(3), you must file any request for Commission review of this order no later than 14 days after the date the decision is posted on the Commission's website.