

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment Against	DOCKET UT-160605
WCI CABLE, INC.	ORDER 01
in the amount of \$1,000	ORDER GRANTING MITIGATION TO \$200

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 WCI Cable, Inc. (WCI or Company) filed an incomplete annual report on May 2, 2016, and had not made a complete filing by May 16. On June 23, the Commission assessed a penalty of \$1,000 against WCI, calculated as \$100 per business day from May 2 to May 16.
- 3 On June 23, 2016, WCI responded to the Commission's penalty assessment, admitting the violations and requesting mitigation based on the written information provided. The Company explained that it informed Commission staff (Staff) via email that it is not authorized to collect deposits from customers, and therefore has no financial information to report.
- 4 On July 1, 2016, Staff filed a response recommending a penalty reduction to \$200, calculated as \$25 per business day from May 2 to May 12, because the Company notified Staff via email on May 12, 2016, that it had no financial information report. While the email did not contain enough for information for Staff to conclusively determine that all of the annual reporting requirements had been fulfilled, Staff did not follow up with the Company to seek clarification. On June 22, 2016, Staff confirmed that the May 12 email did, in fact, contain all of the information necessary to satisfy the Company's annual reporting requirements despite the fact that the Company did not submit an income

statement or balance sheet. Accordingly, Staff considers the report complete as of May 12. Staff also noted that the Company has been active since 2000, and 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 indicated on the balance sheet and income statement that it had no financial information to report rather than failing to include those items with its filing.
- 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, WCI has since corrected the violation by filing a complete annual report. In addition, this is the Company's first violation of WAC 480-120-382 since it became regulated in 2000; 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 \$200.

ORDER

THE COMMISSION ORDERS:

- 7 (1) WCI Cable, Inc.'s request for mitigation of the \$1,000 penalty is GRANTED in part, and the penalty is reduced to \$200.
- 8 (2) The \$200 penalty is due and payable no later than July 25, 2016.

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

- 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 11, 2016.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING
Executive Director and Secretary

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.