

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment)	DOCKET UT-140875
Against)	
)	ORDER 01
CLEAR RATE COMMUNICATIONS,)	
INC.)	ORDER GRANTING
)	MITIGATION TO \$200
in the amount of \$1,000)	
.....)	

BACKGROUND

- 1 Washington law requires regulated telecommunications companies to file annual reports and pay regulatory fees by May 1 of each year. WAC 480-120-382. On February 28, 2014, 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 May 1, 2014, 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 Clear Rate Communications did not file its annual report on May 1, 2014, and had not made a complete filing by May 15. On May 5, the Company filed an incomplete annual report and paid its regulatory fee. On May 30, the Commission assessed a penalty of \$1,000 against Clear Rate Communications for filing an incomplete annual report, calculated as \$100 per business day from May 1 to May 15.

- 3 On June 9, 2014, Clear Rate Communications responded to the Commission’s penalty assessment admitting the violations and requesting mitigation of the penalty based on the written information provided. The Company explained that it mailed its annual report and regulatory fee on April 29, 2014, but neglected to attach its financial statements. The Company filed a complete report on May 19.

- 4 On June 20, 2014, Commission Staff (Staff) filed a response recommending a penalty reduction to \$200 on the basis that 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. Companies are responsible for complying with their legal obligations, and the Company should have submitted a complete annual report. The Company also should have mailed its report and regulatory fee in sufficient time to arrive at the Commission by close of business on May 1.
- 6 The Commission nevertheless agrees with Staff's recommendation. The Commission may consider a number of factors when entertaining a mitigation request, including a company's compliance history and whether it promptly corrected the violation at issue.¹ This is Clear Rate Communications' only violation of WAC 480-120-382, and the Company promptly filed a corrected annual report prior to receiving a penalty. The Commission will therefore exercise its discretion to reduce the penalty to \$200.

ORDER

THE COMMISSION ORDERS:

- 7 (1) The request of Clear Rate Communications, Inc. for mitigation of the \$1,000 penalty is **GRANTED** in part, and the penalty is reduced to \$200.
- 8 (2) The penalty is due and payable no later than July 23, 2014.

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 9, 2014.

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. The Commission will grant a late-filed request for review only on a showing of good cause, including a satisfactory explanation of why the person did not timely file the request. A form for late-filed requests is available on the Commission's website.