

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment)	DOCKET UT-140921
Against)	
)	ORDER 01
TELENATIONAL)	
COMMUNICATIONS, INC.)	ORDER DENYING MITIGATION
)	
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 Telenational Communications did not file its annual report on May 1, 2014, and, as of May 15, had not made a complete filing. The Company filed an incomplete annual report on May 2. On May 5, Commission Staff (Staff) contacted the Company and requested additional data. The Company did not respond to Staff’s request. On June 2, the Commission assessed a penalty of \$1,000 against Telenational Communications, calculated as \$100 per business day from May 1 to May 15.
- 3 Telenational Communications ultimately filed a complete annual report on June 12, 2014, with no regulatory fee due.
- 4 On June 16, 2014, Telenational 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 was the

first time this particular employee had filed its annual report, and the employee did not realize the report was incomplete until the penalty assessment was served.

- 5 On June 30, 2014, Staff filed a response recommending the Commission deny the Company's request for mitigation. Staff explained that the Company was previously delinquent in 2010 and 2012, and failed to respond to Staff's May 5 email.

DISCUSSION

- 6 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 taken measures to ensure its filing was timely submitted in its entirety.

- 7 The Commission agrees with Staff's recommendation and denies the Company's request for mitigation. The Commission considers a number of factors when entertaining a request for mitigation, including the company's compliance history, whether the violation was promptly corrected, and the likelihood the violation will recur.¹ Ultimately, the Commission's goal is to gain compliance going forward. Here, the Company has a history of noncompliance, and failed to promptly remedy the violation; Telenational Communications did not file a complete annual report until after the penalty assessment was served. The Company paid a \$100 penalty in 2010 and a \$900 penalty in 2012. In light of these factors, the violations are likely to recur absent an escalated penalty. The Commission finds the penalty amount to be a reasonable deterrent to overlooking future filing deadlines and requirements.

ORDER

THE COMMISSION ORDERS:

- 8 (1) The request of Telenational Communications, Inc. for mitigation of the \$1,000 penalty is DENIED.

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

9 (2) The penalty is due and payable no later than July 24, 2014.

10 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 10, 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.