

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment        ) DOCKET UT-150833  
Against    )  
  ) ORDER 01  
NORSTAR TELECOMMUNICATIONS,            )  
LLC    ) ORDER GRANTING  
  ) MITIGATION TO \$500  
in the amount of \$1,000                        )  
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**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 27, 2015, 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, 2015, 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 Norstar Telecommunications, LLC (Norstar or Company) filed an incomplete annual report on April 15, 2015, and had not made a complete filing by May 15. On June 4, the Commission assessed a penalty of \$1,000 against Norstar, calculated as \$100 per business day from May 1 to May 15.
- 3 On June 16, 2015, Norstar filed a complete annual report. On June 26, the Company 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 marked confidential in error. When Commission staff contacted the Company to request redacted financial information, the Company sent its non-confidential forms to an incorrect email address.
- 4 On July 2, 2015, Commission staff (Staff) filed a response recommending a penalty reduction to \$50 per day, or \$500. Although the Company received and paid penalties for violations of WAC 480-120-382 in 2007 and 2010, Staff supports a reduced penalty based on the Company’s recent history of compliance. In addition, Staff believes the Company made a good faith effort to comply by sending corrected financial statements prior to May 1, albeit to an incorrect email address.

**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 ensured its complete report was timely filed.

6 The Commission nevertheless agrees with Staff's recommendation. The Commission may consider a number of factors when entertaining a request for mitigation, including a company's history of compliance and the likelihood the violation will recur.<sup>1</sup> This is Norstar's first violation of WAC 480-15-480 in five years; until the Company received the penalty assessment, it believed it had complied with the Commission's annual reporting requirements. Given the Company's recent history of compliance, the violations are not likely to recur. Accordingly, the Commission will exercise its discretion to reduce the penalty to \$500.

**ORDER**

**THE COMMISSION ORDERS:**

7 (1) Norstar Telecommunications, LLC's request for mitigation of the \$1,000 penalty is **GRANTED** in part, and the penalty is reduced to \$500.

8 (2) The \$500 penalty is due and payable no later than July 21, 2015.

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, 2015.

**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.

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