

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment
Against

TOUCHTONE COMMUNICATIONS,
INC.

in the amount of \$1,000

DOCKET UT-160599

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 Touchtone Communications, Inc. (Touchtone or Company) did not file its annual report on May 2, 2016, and had not made that filing by May 16. On May 17, Touchtone filed a complete annual report and paid the required regulatory fee. On June 16, the Commission assessed a penalty of \$1,000 against Touchtone, calculated as \$100 per business day from May 2 to May 16.
- 3 On June 27, 2016, Touchtone responded to the Commission's penalty assessment, admitting the violations and requesting mitigation based on the written information provided. The Company explained that it recently experienced personnel changes that resulted in the late filing.
- 4 On July 8, 2016, Commission staff (Staff) filed a response recommending a penalty reduction to \$25 per day, or \$250. Although the Company received and paid a \$100 penalty for violations of WAC 480-120-382 in 2006, Staff supports the Company's request for mitigation due to the Company's recent history of compliance.

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 its annual report was timely filed despite personnel changes.
- 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, Touchtone 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 in ten years; given its recent 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) Touchtone Communications, 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 27, 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 13, 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.