

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment	)	DOCKET UT-150834
Against	)	
	)	ORDER 01
NORTH COUNTY	)	
COMMUNICATIONS CORPORATION	)	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 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 North County Communications Corporation (North County or Company) filed an incomplete annual report on March 26, 2015, and did not make a complete filing by May 15. On June 4, the Commission assessed a penalty of \$1,000 against North County, calculated as \$100 per business day from May 1 to May 15.
- 3 On July 1, 2015, North County filed a complete annual report. On August 7, North County responded to the Commission’s penalty assessment, admitting the violations and requesting mitigation based on the written information provided. The Company stated that it believed it sent the missing information to the Commission via email on April 14, 2015, and had assumed the matter was resolved. The Company further explained that on July 1, it sent an email to an individual who is no longer employed with the Commission asking whether the missing information had been received. The Company expressed frustration that it did not receive a response from the Commission to its July 1 email providing an alternate contact person.

4 On August 11, 2015, Commission staff (Staff) filed a response recommending the Commission deny the Company's request for mitigation because the Company was previously delinquent in 2008 and 2014. Staff explained that it contacted the Company on March 26, 2015, to request information missing from its annual report, but received no response. When Staff contacted the Company a second time on April 9, the Company replied the same day that it would look into the issue and provide a response. No further communication was received from the Company until it sent an email on July 1 to an employee who separated from the Commission on June 30. Staff noted that the employee's departure has no bearing on this matter. Finally, Staff explained that the Company failed to request mitigation within 15 days of receiving the penalty assessment.

### **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 annual report was timely filed, particularly given the reminders it received from Staff.

6 The Commission agrees with Staff's recommendation and denies the Company's request for mitigation. The Commission may consider a number of factors when entertaining a request for mitigation, including whether the violation was promptly corrected, the company's compliance history, and the likelihood the violation will recur.<sup>1</sup> Ultimately, the Commission's goal is to gain compliance going forward. Here, Staff reached out to the Company twice prior to May 1 concerning the information missing from its filing, but the Company failed to respond. The Company's email to Staff on July 1 – two months after the deadline – was too little, far too late.

7 Moreover, the Company has a history of noncompliance; it received and paid a \$100 penalty in 2008, then received and paid a \$1,000 penalty in 2014. Accordingly, the violations are likely to recur absent imposition of the full penalty. The Commission finds the penalty amount to be a reasonable deterrent to overlooking future filing deadlines and requirements.

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

**ORDER**

THE COMMISSION ORDERS:

- 8 (1) North County Communications Corporation's request for mitigation of the \$1,000  
penalty is DENIED.
- 9 (2) The \$1,000 penalty is due and payable no later than August 28, 2015.
- 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 August 18, 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.**