STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

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July 5, 2016

NOTICE WITHDRAWING PENALTY

RE: Interstate Telecommunications, Inc., Commission Staff's Request to Rescind Penalty
Assessment
Docket UT-160563

TO ALL PARTIES:

On June 14, 2016, the Washington Utilities and Transportation Commission (Commission)
issued and served a Penalty Assessment against Interstate Telecommunications, Inc.
(Interstate or Company) in the amount of $1,000, alleging violations of WAC 480-120-382,
which requires telecommunications companies to file annual reports and pay regulatory fees
by May 1 each year.

On June 27, 2016, Commission staff (Staff) filed with the Commission a Request to Rescind
the Penalty Assessment. Staff explained that on March 16, 2016, the Company filed an
annual report that was considered incomplete because it contained an error. Staff explained,
however, that the error was caused by a discrepancy between the language in the
Commission's regulatory fee calculation sheet and the language in schedule one on the
Commission's annual report form. The Company also failed to timely submit its balance
sheet and income statement, but Staff did not notify the Company about those deficiencies.
The Company has since corrected its annual report. Staff finds that the Company should have
been provided technical assistance rather than penalized, and recommends withdrawing the
penalty.

Because the Company's error was based on a discrepancy between two Commission forms,
the Company was not notified of the other deficiencies in its report, and the report has since
been corrected, the Commission withdraws the penalty assessed against Interstate.

**THE COMMISSION GIVES NOTICE that the Commission withdraws the penalty of
$1,000 assessed against Interstate Telecommunications, Inc. and closes Docket UT-
160563.**

GREGORY J. KOPTA
Director, Administrative Law Division

Respect. Professionalism. Integrity. Accountability.