



STATE OF WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION  
1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250  
(360) 664-1160 • [www.utc.wa.gov](http://www.utc.wa.gov)

November 1, 2013

Steven V. King, Executive Director and Secretary  
Utilities and Transportation Commission  
1300 S. Evergreen Park Dr. SW  
P.O. Box 47250  
Olympia, WA 98504-7250

RE: *Washington Utilities and Transportation Commission v. Cascade Networks, Inc.*

Commission Staff's Response to Application for Mitigation of Penalties  
Docket UT-130792

Dear Mr. King:

On Sept. 25, 2013, the Utilities and Transportation Commission issued an \$1,800 Penalty Assessment in Docket UT-130792 against Cascade Networks, Inc. for 18 violations of Washington Administrative Code (WAC) 480-120-382, which requires telecommunications companies to furnish annual reports to the commission no later than May 1 each year.<sup>1</sup>

On Oct. 14, 2013, Cascade Networks, Inc. wrote the commission requesting mitigation of penalties (Mitigation Request), and asking for a hearing for a decision by an administrative law judge.<sup>2</sup> In its Mitigation Request, Cascade Networks, Inc. did not dispute that the violation occurred, nor did the company provide any information for an administrative law judge to consider. On Oct. 17, 2013, the commission denied the company's request for a hearing, and issued a Notice of Opportunity for the company to submit a written request, including reasons to support its application for mitigation. The company was given a deadline of Oct. 24, 2013, to submit a response.

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<sup>1</sup> See attachment A for a copy of the penalty assessment sent on July 31, 2013

<sup>2</sup> See attachment B for a copy of Cascade Networks, Inc.'s Hearing Request, received on Oct. 14, 2013

On Oct. 25, 2013, the commission received a letter from Jason Petrillo on behalf of Cascade Networks. The letter included email correspondence from commission staff indicating that the company emailed its complete annual report to staff on May 31, 2013.<sup>3</sup>

It is the company's responsibility to ensure that the annual report is filed by the May 1 deadline. On March 1, 2013, Annual Report forms and Regulatory Fee packets were mailed to all regulated telecommunications companies.<sup>4</sup> The cover letter informed the regulated company that it must complete the annual report form, pay the regulatory fees, and return the materials by May 1, 2013, to avoid enforcement action.

On May 10, 2013, the commission mailed a letter to those companies that had not yet filed an annual report notifying them that, to date, they had incurred a penalty of \$700.<sup>5</sup> The letter went on to explain that companies who filed their annual reports no later than May 24, 2013, would receive mitigated penalties of \$25 per day. An additional penalty of \$25 per day would be assessed for each instance in the previous five years that the company received a penalty for filing a late report, up to a maximum of \$100 per day.

On May 17, 2013, staff received correspondence from Jason Petrillo indicating that Cascade Networks, Inc. planned to voluntarily cancel its registration in Docket UT-130766. On June 4, 2013, staff received an email from Alex Bradley withdrawing the request. When the penalty assessment was issued on Sept. 25, 2013, the Commission had no record of the company filing a 2012 annual report or paying its 2013 regulatory fees. Upon further investigation, staff found that the company emailed its complete annual report to Regulatory Services staff on May 31, 2013. That date is after May 24, when penalties stopped accruing, resulting in a penalty assessment of \$1,800. Cascade Networks, Inc. has not previously missed the deadline for filing its annual report and paying its regulatory fees. Staff, therefore, supports the company's request for mitigation of the penalty by 50 percent, for a reduced penalty of \$900.

If you have any questions regarding this recommendation, please contact Lauren McCloy, Compliance Investigator, at (360) 664-1108, or [lmccloy@utc.wa.gov](mailto:lmccloy@utc.wa.gov).

Sincerely,

Sharon Wallace, Assistant Director  
Consumer Protection and Communications

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<sup>3</sup> See attachment C for a copy of the company's mitigation request, received on Oct. 25, 2013

<sup>4</sup> See attachment D for a copy of the letter sent to all regulated companies dated Feb. 28, 2013

<sup>5</sup> See attachment E for a copy of the enforcement letter sent to the company on May 10, 2013

## ATTACHMENT A

### WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

#### NOTICE OF PENALTIES INCURRED AND DUE FOR VIOLATIONS OF LAWS AND RULES

PENALTY ASSESSMENT: UT-130792  
PENALTY AMOUNT: \$1,800

Cascade Networks, Inc.  
P.O. Box 887  
Longview, WA 98632

According to the Washington Utilities and Transportation Commission (Commission) records, you have violated Washington Administrative Code (WAC) 480-120-382, which requires telecommunications companies to file annual reports and pay regulatory fees each year by May 1. You did not file an annual report or pay regulatory fees by May 1, 2013.

Revised Code of Washington (RCW) 80.04.405 authorizes the Commission to assess penalties of \$100 for violations of Commission rules. Each violation is a separate and distinct offense and, in the case of a continuing violation, every day's continuance is a separate and distinct violation. The Commission interprets noncompliance with WAC 480-120-382 beyond May 1 as a continuing violation, and assesses penalties of \$100 for each day a company fails to file its report or pay its regulatory fees after that date.

As a result, the Commission hereby notifies you that it has assessed penalties against you in the amount of \$1,800 on the following basis:

On March 1, 2013, the Commission mailed 2012 annual report forms and 2013 regulatory fee packets to all telecommunications companies registered in Washington state. A letter from the Commission's Acting Executive Director Steven V. King instructed these companies to file annual reports and pay regulatory fees by May 1, 2013. The letter stated that failure to file the annual report by May 1 would result in penalties, and possible cancellation of the company's authority to operate in Washington. The deadline for requesting an extension to file your annual report was April 24. You did not request an extension.

On May 10, the Commission issued a notice to companies that had not yet filed their annual report or paid regulatory fees, informing these companies that they were subject to enforcement action, including penalties that began accruing on May 2. Companies that filed their annual reports and paid regulatory fees after May 1, but on or before May 24, 2013, are subject to penalties that the Commission uses its discretion to mitigate to \$25 per day if the company had not filed late in prior years. Companies that were late in prior years are subject to an additional \$25 per day for each year they were late, up to a total of \$100 per day. For first-time late filers who filed their report after May 24, the Commission will

mitigate the penalties to 50 percent of the maximum amount. No further mitigation will be granted unless the company provides new information that is unrelated to these factors. Mitigation will not be granted on the basis that a company was unaware that a report must be filed.

On May 17, 2013, Commission staff (Staff) received correspondence from Jason Petrillo indicating that Cascade Networks, Inc., planned to voluntarily cancel its registration in Docket UT-130766. On June 4, 2013, Staff received an email from Alex Bradley withdrawing the request. As of September 23, 2013, Cascade Networks, Inc., has failed to file its 2012 annual report or pay its 2013 regulatory fee, or formally cancel its registration in Washington, resulting in a penalty of \$100 for each business day between May 1 and May 24, for a total penalty of \$1,800. Because Cascade Networks, Inc., did not file its annual report or pay its regulatory fee, the Commission declines to exercise its discretion to grant any mitigation.

Your penalty is due and payable now. If you believe the violation did not occur, you may request a hearing to contest the penalty assessment. If there is a reason for the violation that you believe should excuse you from the penalty, you may ask for mitigation (reduction) of this penalty. See RCW 80.04.405.

You have the right to present your request for review or mitigation at a hearing, but you are not required to do so. If you do, the Commission will review the evidence supporting your request in an informal hearing, called a Brief Adjudicative Proceeding, before an administrative law judge. The administrative law judge will consider your plea and notify you of his or her decision.

**You must act within 15 days after receiving this notice** to do one of the following:

- Pay the amount due.
- Request a hearing to contest the occurrence of the violations.
- Request mitigation to contest the amount of the penalty.

Please indicate your selection on the enclosed form and send it to the Washington Utilities and Transportation Commission, Post Office Box 47250, Olympia, Washington 98504-7250, **within FIFTEEN (15) days** after you receive this notice.

**If you do not act within 15 days**, the Commission may refer this matter to the Office of the Attorney General for collection. The Commission will then sue you to collect the penalty.

DATED at Olympia, Washington, and effective September 25, 2013.

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GREGORY J. KOPTA  
Administrative Law Judge

## ATTACHMENT B

### WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

PENALTY ASSESSMENT UT-130792

**PLEASE NOTE:** You must complete and sign this document, and send it to the Commission within 15 days after you receive the penalty assessment. Use additional paper if needed.

I have read and understand RCW 9A.72.020 (printed below), which states that making false statements under oath is a class B felony. I am over the age of 18, am competent to testify to the matters set forth below and I have personal knowledge of those matters. I hereby make, under oath, the following statements.

1. **Payment of penalty.** I admit that the violations occurred. I have:
- Enclosed \$1,800 in payment of the penalty
  - Submitted my payment of \$1,800 online at [www.utc.wa.gov](http://www.utc.wa.gov). My confirmation number is \_\_\_\_\_.
2. **Request for a hearing.** I believe that one or more of the alleged violations did not occur, based on the following information, and request a hearing, which is a process that allows an affected person to present argument to an administrative law judge for a decision by an administrative law judge:
3. **Application for mitigation.** I admit the violations, but I believe that the penalty should be reduced for the reason(s) set out below.
- a) I ask for a hearing for a decision by an administrative law judge based on the information presented above.
  - OR  b) I waive a hearing and ask for an administrative decision on the information I presented directly above.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing, including information I have presented on any attachments, is true and correct.

Dated: 10-3-2013 [month/day/year], at LONGVIEW, WA [city, state]

CASCADE NETWORKS, INC.  
Name of Respondent (company) – please print

  
Signature of Applicant

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RCW 9A.72.020:

“Perjury in the first degree. (1) A person is guilty of perjury in the first degree if in any official proceeding he makes a materially false statement which he knows to be false under an oath required or authorized by law. (2) Knowledge of the materiality of the statement is not an element of this crime, and the actor’s mistaken belief that his statement was not material is not a defense to a prosecution under this section. (3) Perjury in the first degree is a class B felony.”

**ATTACHMENT C**

LT-130792

10/21/2013

To whom it may concern:

We believe the following mitigating factors should be considered when determining the appropriate fine for our egregious flouting of the rules and regulations of the State of Washington.

1. See attached E-mail received from Rayne Pearson at [RPearson@utc.wa.gov](mailto:RPearson@utc.wa.gov) by Alex Bradley of our engineering staff dated Thursday, June 6<sup>th</sup> 2013 that states "That is correct, your company will not be receiving penalties." that was directly referencing the penalty at hand. Additionally, we were offered the opportunity to pay the fine levied against us at \$.25 on the dollar back at the beginning of this process and would have certainly taken advantage of this opportunity if we had not been told by Rayne that we would not be levied said fines.
2. Bill Weinman received the completed report we are being penalized for not submitting on time but for some reason failed to document said report. We know this because as late as the 30<sup>th</sup> of September members of the UTC were calling to inquire about its status, and we received a notice stating the report was incomplete with in fact the report had been sent completed as requested back in May (see attached 2012 Telecommunications Companies Annual Report).

Finally, a report was submitted initially be was incomplete. We had no intention of misleading the commission or not paying our fair share. The fact is we have never earned any revenue that is subject to the taxes/fees that the Telecommunications Annual Report would be used to calculate.

Regards,

Jason Petrillo  
Marketing Director  
Cascade Networks, Inc.

2013 OCT 25 AM 8:31  
OFFICE OF THE  
UTILITY AND TRANSPORTATION  
COMMISSIONER

**Jason Petrillo**

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**From:** Alex Bradley <alex@cni.net>  
**Sent:** Monday, September 30, 2013 10:57 AM  
**To:** Jason@cni.net  
**Subject:** Fwd: RE: Fwd: Cascade Networks Annual

----- Original Message -----

**Subject:**RE: Fwd: Cascade Networks Annual  
**Date:**Thu, 6 Jun 2013 21:49:32 +0000  
**From:**Pearson, Rayne (UTC) <RPearson@utc.wa.gov>  
**To:**Alex Bradley <alex@cni.net>, "Russell, Kristen (UTC)" <krussell@utc.wa.gov>  
**CC:**Jason@cni.net <Jason@cni.net>

Hi Alex,

~~That is correct, your company will not be receiving penalties~~ I don't know the situation for the other company- they would need to contact us directly and explain whether their circumstances were similar to yours. I'll be attending the Open Meeting agenda review in 10 minutes and will confirm that Cascade Networks has been removed.

Thanks,  
Rayne

**From:** Alex Bradley [mailto:alex@cni.net]  
**Sent:** Thursday, June 06, 2013 1:00 PM  
**To:** Pearson, Rayne (UTC); Russell, Kristen (UTC)  
**Cc:** Jason@cni.net; Alex Bradley  
**Subject:** Fwd: Fwd: Cascade Networks Annual

Hello Rayne,

A colleague just received the below email from Bill Weinman. After you and I spoke last, I understood there were to be no penalties assessed because of the misinformation? Also, Mr. Weinman seems unaware than I sent a request to withdraw the CLEC disconnection request to [records@utc.wa.gov](mailto:records@utc.wa.gov) on Monday 6/4, as you suggested.

Can you please confirm things are on track?

Thank you very much for your help.  
Alex

----- Original Message -----

**Subject:**Fwd: Cascade Networks Annual  
**Date:**Thu, 06 Jun 2013 14:41:59 -0500  
**From:**jason@cni.net <jason@cni.net>

To:[alex@cni.net](mailto:alex@cni.net)

----- Forwarded message -----

From: "Weinman, William (UTC)" <[WWeinman@utc.wa.gov](mailto:WWeinman@utc.wa.gov)>

To: "Jason Petrillo" <[jason@cni.net](mailto:jason@cni.net)>

Subject: Cascade Networks Annual

Date: Thu, Jun 6, 2013 2:30 pm

Jason,

I hope you understand you will be subject to penalties for not filing on time.

I need to know by Friday if you want to continue to be a CLEC. Your cessation of service will be on next Thursday's Open Meeting.

Bill Weinman

Assistant Director – Telecom

Phone – (360) 664-1109

Email – [wweinman@utc.wa.gov](mailto:wweinman@utc.wa.gov)

**From:** Jason Petrillo [<mailto:jason@cni.net>]

**Sent:** Friday, May 31, 2013 4:50 PM

**To:** Weinman, William (UTC)

**Subject:** Cascade Networks Annual

Sorry, forgot to include the worksheet.

Thanks,

Jason





Washington Unified Business Identifier (UBI) No.: 602076023  
(If you do not know your UBI No. please contact Business Licensing Service at 1-800-451-7985 or [BLS@dor.wa.gov](mailto:BLS@dor.wa.gov))

### Annual Report Certification

I certify that I, Brian Magnuson, the responsible account officer for Cascade Networks, Inc. have examined the foregoing report; that, to the best of my knowledge, information and belief, all statements of fact contained in said report are true and said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from January 1, 2012, to December 31, 2012, inclusive.

Name (Printed) Brian Magnuson Title President

Signature Brian Magnuson Date 5-31-2013

### Online Annual Report Certification

I acknowledge that the foregoing Annual Report has been submitted electronically; that, to the best of my knowledge, information and belief, all statements of fact contained in all attached schedules are true and said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from January 1, 2012, to December 31, 2012, inclusive. I agree that my name typed in lieu of my handwritten signature shall be sufficient to deem the report complete.

Authorized By: BRIAN MAGNUSON  
Please Type Full Name Here

Authorized Date: 5-31-2013  
Please Type Full Date Here

**SECTION III**

**Competitively Classified Company Financial & Operational Data**

1. The following information is **REQUIRED** under WAC 480-120-382 and the annual report will not be complete without the required documents in the prescribed format.

- Income statement (Required) – **TOTAL COMPANY**
- Balance Sheet (Required) – **TOTAL COMPANY**
- Regulatory Fee Sheet (Required) – **TOTAL COMPANY**
- Annual Revenues for 2012 – (Required) – **TOTAL WASHINGTON OPERATIONS AND WASHINGTON INTRA STATE**

**Companies Not Classified as Competitive Financial & Operational Data**

2. The following information is **REQUIRED** under WAC 480-120-385 and the annual report will not be complete without the required documents in the prescribed format **OF TOTAL COMPANY, WASHINGTON OPERATIONS AND WASHINGTON INTRASTATE.**

- Income statement (Required)
- Balance Sheet (Required)
- Regulatory Fee Sheet (Required)

**Washington State Data**

(Applies to BOTH Competitively and Non-Competitively Classified Companies)

**3. Services**

a. Does your company provide local exchange services in WA? Yes  No

b. What other services does your company provide in WA? Please list.

\_\_\_\_\_

VoIP \_\_\_\_\_

Internet \_\_\_\_\_

\_\_\_\_\_

**4. Lines in service as of December 31, 2012**

If you file Form 477 with the FCC for Washington operations, please indicate:

- a. The total number of voice grade equivalent lines: 0  
(provide the same number as included in the **FCC Form 477 Part II. A. 1.**)  
(If your company does not file Form 477 you still must report voice grade equivalent lines.)
- b. How many of the lines listed in 3.a. above, have access to E-911: 0

**REGULATORY FEE CALCULATION SCHEDULE**  
**Due May 1, 2013**

Company Name Cascade Networks, Inc. Annual Report Year 2012

In accordance with chapter 80.24.010 RCW "Regulatory Fees", the Commission requires Telecommunication companies to file reports of gross intrastate operating revenue and pay fees on that revenue. Every company subject to regulation shall file with the Commission a statement under oath showing its gross intrastate operating revenue for the preceding year and pay to the Commission a fee as instructed below.

1	Total Gross Intrastate Operating Revenue (BEFORE UNCOLLECTIBLES)**	1		\$0
2	Less Non Fee-Paying Revenue***	2		\$0
3	Balance-Adjusted Gross Intrastate Operating Revenue (subtract line 2 from 1)	3		\$0
<b>Regulatory Fee Calculations:</b>				
4	If line 3 is <b>UNDER</b> \$20,000, Enter <b>ZERO</b> (Filing <b>ZERO</b> indicates schedule is complete)	4		\$0
5	If line 3 is <b>BETWEEN</b> \$20,000 and \$50,000-enter amount from line 3	5	\$0 x .1 % (.001) =	\$0
6	If line 3 is <b>OVER</b> \$50,000 enter amount from line 3	6	\$0	
	First \$50,000 is subject to .1% regulatory fee	6a	\$ 50,000.00 x .1 % (.001) =	\$0
	Adjustment of Gross Intrastate Operating Revenue (subtract Line 6a from 6)	6b	\$0 x .2 % (.002) =	\$0
7	Total Regulatory Fees owed (Line 4 or Line 5 or Line 6a + 6b)	7		\$0
<small>Agency Use Only 001-111-02-26-170-01</small>				
<b>Complete Lines 6 through 9 if filing after May 1</b>				
Penalties on Regulatory Fees filed after May 1				
8	Total Penalties on Regulatory Fees owed - enter amount from line 7	8	\$0 x 2 % (.02) =	\$0
Interest on Regulatory Fees filed after May 31				
9	Amount from line 7 _____ x Number of months past May 31 _____ x 1% (.01) =	9		\$0
10	Total Penalties and Interest owed (add lines 8 and 9)	10		\$0
<small>Agency Use Only 001-111-02-26-170-11</small>				
11	Total Regulatory, Penalty and Interest Fees Due (add lines 7 and 10)	11		\$0

<b>** Gross Revenue Definition</b>	
The revenues subject to the Commission's regulatory fees are gross Washington intrastate operating revenues before deductions for uncollectibles, unbillables, subscriber/aggregator commissions or the payment of site charges and state and federal taxes, i.e. "Gross Revenues" means before any deductions from Revenue Receipts.	

<b>***DETAILS OF NON FEE-PAYING REVENUE</b>	
Indicate Account and Description	Amount
10.	\$
11.	<b>N/A</b>
12.	
13.	
14.	
<b>Total Non Fee-Paying Revenue</b>	\$

## ATTACHMENT D



STATE OF WASHINGTON

### WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250  
(360) 664-1160 • TTY (360) 586-8203

February 28, 2013

Dear Regulated Company:

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**Reference: Your 2012 Annual Report and 2013 Regulatory Fees are Due May 1**

State law requires you to file an annual report and pay regulatory fees to the Washington Utilities and Transportation Commission (commission).

**What is required of you?**

By May 1, you must:

- Complete and file one paper copy or electronic version of the enclosed 2012 annual report form
- Pay your 2013 regulatory fees

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**What happens if you do not file a completed annual report and pay regulatory fees on time?**

If you do not file your company's completed annual report and pay the regulatory fees by May 1, the commission will assess a financial penalty of \$100 for each business day after May 1 that the report is not filed and/or the fees are unpaid. You may seek mitigation of the penalties in response to the assessment you receive after you have filed a completed annual report and paid your regulatory fees. Any potential mitigation of the penalty, if any, will depend on the reason it is late and whether you have filed late in prior years. Staff may also initiate proceedings to request the commission revoke your authority to operate in Washington.

**What happens if you do not pay the regulatory fees by May 1?**

If the commission does not receive your company's regulatory fees by May 1, you will incur a 2 percent penalty on the amount due and a 1 percent monthly interest charge on the unpaid balance. These amounts apply in addition to the assessment of a penalty of \$100 per business day after May 1 that the fees are unpaid.

**May you request an extension of time if you are unable to file the annual report or pay your regulatory fees on time?**

You may file a written request for an extension to file your completed annual report; however, the commission will not extend the deadline for paying regulatory fees. Any extension request must be filed with the commission by April 24, 2013, and must state a valid reason for why you

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February 28, 2013  
Page 2

need an extension and identify a specific date by which you will file your completed annual report. The commission will notify you by May 1 whether your request is approved or denied. Even if your request is approved, you will still be liable for penalties and interest payments if you fail to pay your regulatory fees by May 1.

**What should you do if your company is no longer operating in Washington?**

You may cancel your registration or permit by using the cancellation forms available on the commission's website at [www.utc.wa.gov](http://www.utc.wa.gov); however, if your company operated in Washington at any time during the 2012 calendar year, you must pay regulatory fees and file a closing annual report based on the months of operation during 2012 even if you cancel your registration or permit.

**May you designate any information in your annual report as confidential?**

Only if you satisfy two conditions:

(1) You are eligible to request confidential treatment only if your company is regulated under Title 80 RCW, that is, if you operate an electric, natural gas, telecommunications, or water company. Transportation companies, regulated under Title 81 RCW, may **not** request confidential treatment of documents because the authority for such treatment is found only in RCW 80.04.095. If a Title 81 company files its annual report or fee sheet as confidential, the commission will **not** treat it as confidential.

(2) You must follow the steps for filing confidential documents in WAC 480-07-160. You may find this rule on the commission website, [www.utc.wa.gov/annualreports](http://www.utc.wa.gov/annualreports).

**Please note:** The regulatory fee sheet portion of your report is not a confidential document and will not be accorded confidential treatment under the rule. The commission will not, however, disclose credit card information you list on the fee sheet.

**May you perform some of these tasks online?**

Yes. You may complete the following tasks from the annual reports page at the commission website [www.utc.wa.gov/annualreports](http://www.utc.wa.gov/annualreports).

- Obtain electronic versions of annual report forms;
- Pay regulatory fees;

**Where do you mail the completed annual report form and regulatory fee payment?**

Washington Utilities and Transportation Commission  
PO Box 47250  
Olympia, WA 98504-7250

The commission must **receive** your annual report form and regulatory fee payment on or before May 1, without regard to when you mail them. The commission will no longer consider this filing to be timely if it is postmarked on that date. If you mail the completed form and payment, therefore, you must do so sufficiently in advance for them to be delivered to the commission on or before May 1. Forms and payment the commission

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February 28, 2013  
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receives after that date will be considered late and subject to the penalties described in this notice without regard to when you mailed them.

**Is there any additional information you should file?**


- If you are a gas distribution company, please remember to also file both a paper and electronic copy of your Federal Energy Regulatory Commission Form 2.
- If you are an electric company, please also file both a paper and electronic copy of your Federal Energy Regulatory Commission Form 1.
- If you are a class 1 Railroad, please also file a copy of your Surface Transportation Board Form R-1 - including statistics specific to the state of Washington.

If you have questions about any aspect of your report or regulatory fee, please contact the following staff:

Rae Lynn Carnes at (360) 664-1152 or [rcarnes@utc.wa.gov](mailto:rcarnes@utc.wa.gov)  
Kim Anderson at (360) 664-1253 or [kanderso@utc.wa.gov](mailto:kanderso@utc.wa.gov)

If you need this letter or an annual report form in an alternate format, please call (360) 664-1243. The TTY Toll-Free phone number is 1-800-416-5289.

Sincerely,

  
Steven V. King  
Acting Executive Director and Secretary

Enclosures

## ATTACHMENT E



STATE OF WASHINGTON  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250  
(360) 664-1160 • TTY (360) 586-8203

May 10, 2013

### NOTICE OF ENFORCEMENT ACTION

**Attention!**

Your 2012 annual report and/or regulatory fees to the Utilities and Transportation Commission were due May 1, as required by law. **Financial penalties of \$100 per day began accruing on May 2.** As of the date of this letter, you have accrued a penalty of \$700. That penalty will increase by \$100 per day for each subsequent day you fail to comply.

**This letter tells you what you can do to mitigate your penalty.**

If the commission receives your report postmarked no later than May 24, commission staff will mitigate your penalty to \$25 per day. Additional penalties of \$25 per day will be added for each year you have filed late in the past five years, up to a maximum of \$100 per day.

Annual report forms are available on the commission's website at [www.utc.wa.gov](http://www.utc.wa.gov). If you have questions or require additional information, please contact Kali Wraspir, Consumer Program Assistant, at (360) 664-1214 or [kwraspir@utc.wa.gov](mailto:kwraspir@utc.wa.gov).

Sincerely,

Steven V. King  
Acting Executive Director and Secretary