

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment)	DOCKET UT-150806
Against)	
)	ORDER 01
CONVERGENCE TECHNOLOGIES,)	
INC.)	ORDER DENYING MITIGATION
)	
in the amount of \$500)	
.....)	

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 Convergence Technologies, Inc. (Convergence or Company) filed its annual report late on May 8, 2015. On June 3, the Commission assessed a penalty of \$500 against Convergence, calculated as \$100 per business day from May 1 to May 8.
- 3 On June 8, 2015, Convergence responded to the Commission’s penalty assessment, admitting the violations and requesting mitigation based on the written information provided. The Company explained that it mailed its annual report on April 30, 2015, and does not know what caused the delay between the date of mailing and the date of receipt.
- 4 On June 12, 2015, Commission staff (Staff) filed a response recommending the Commission deny the Company’s request for mitigation. Staff explained that the Company was previously delinquent in 2003, 2004, and 2012.

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.

- 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 the company's compliance history, whether the violation was promptly corrected, and the likelihood the violation will recur.¹ Ultimately, the Commission's goal is to gain compliance going forward. Here, the Company has a history of noncompliance; it received and paid penalties of \$100 in 2003, \$200 in 2004, and \$325 in 2012. Accordingly, the violations are likely to recur absent an escalated penalty. The Commission finds the penalty amount to be a reasonable deterrent to overlooking future filing deadlines and requirements.

ORDER

THE COMMISSION ORDERS:

- 7 (1) Convergence Technologies, Inc.'s request for mitigation of the \$500 penalty is DENIED.
- 8 (2) The \$500 penalty is due and payable no later than July 20, 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 8, 2015.

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.