




letter from Executive Director and Secretary David W. Danner instructed companies to file annual reports and pay regulatory fees by May 1, 2009. Further, the letter stated failure to file the annual report by May 1 could result in a penalty. Those companies wishing to request an extension to file the annual report were asked to do so prior to May 1, providing a reason for the requested extension. A copy of the letter is attached as Attachment A.

3. On March 27, 2009, the Commission mailed a notice to all telecommunications companies reminding them that 2008 annual reports and 2009 regulatory fees were due by May 1, 2009. A copy of the letter is attached as Attachment B.
4. On May 15, 2009, the Commission sent letters to those companies that had not yet filed annual reports. The letter, signed by David Danner, gave an extension to companies to file their reports by May 30, 2009. In the letter, Mr. Danner stated the Commission would not seek a fine or move to revoke the registration of any company that submitted a report to the commission postmarked on or before May 29, 2009. A copy of the letter is attached as Attachment C.
5. In preparation for the annual revocation proceeding, I searched the Commission's Annual Report Tracking System (ARTS) to identify companies that still had not made this year's annual report filing or regulatory fee submission. I checked ARTS again on November 13, 2009, to confirm or update my list of delinquent companies. As of that date, the Commission had received neither the 2008 annual reports nor the 2009 regulatory fees from the 15 telecommunications companies named in the attached draft complaint.
6. In June 2009, as part of an enforcement effort regarding late filed or delinquent 2008 annual reports, the Commission issued penalties to all of the telecommunications carriers involved here, and others, with one exception. On March 12, 2009, Momentum Telecom, Inc., requested an exemption from WAC 480-120-382 and requested additional time to file its 2008 annual report. On March 26, 2009, in docket UT-090385, the Commission granted the company's request, giving it additional time to file. Momentum Telecom, Inc.'s 2008 annual report was due no later than June 15, 2009. The report has not been received. For those companies with penalties that were returned by the U.S. Postal Service I did additional research in an attempt to locate current mailing addresses. I identified addresses that were different than those on file with the Commission for three companies, DigitLine Express, LLC, Globetel, Inc. and GTC Telecom Corp. They are included in the Respondent Address Addendum at Attachment D.
7. On November 17, 2009, the Commission received Quality Telephone, Inc.'s incomplete 2008 annual report. The report lacked the required balance sheet and financial statements for completion. The report was also accompanied by a \$230 payment: \$200 for Quality Telephone, Inc.'s outstanding penalty assessment and \$30 seemingly for its 2009 regulatory fee payment. However, the regulatory fee

calculation sheet used and submitted was for the railroad industry, not the telecommunications industry. Because the wrong regulatory fee calculation sheet was used, it is unclear to the Commission whether the submitted payment is correct or not. On November 17, 2009, the Commission notified Quality Telephone, Inc., by US Postal Service and e-mail that its 2008 annual report was incomplete, and that it did not use and submit the correct regulatory fee calculation sheet. The company was informed that the report would not be accepted by the Commission as complete until all missing elements were received by the Commission.

DATED this 17<sup>th</sup> day of November 2009 at Olympia, Washington.

  
SHERI HOYT

# **Attachment A**

## ATTACHMENT A

March 2, 2009

Dear Regulated Company:

**Subject: Your 2008 Annual Report and 2009 Regulatory Fees are Due May 1, 2009**

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

**What is required of me?**

By May 1, you must:

- Complete and file one paper copy or electronic version of the enclosed 2008 annual report form
- Pay your 2009 regulatory fees

**What happens if I do not file a completed annual report by May 1?**

If you do not file your company's annual report by May 1 commission staff will recommend a financial penalty between \$100 and \$800 depending on whether you have filed late in the past. If you have repeatedly filed late, the penalty will be higher. Staff will also recommend a \$100 financial penalty if your annual report is incomplete, *i.e.*, not signed or lacking requested information, even if it is filed on time. Staff may also recommend revocation of your authority to operate in Washington.

**What happens if I do not pay my regulatory fees by May 1?**

If you do not pay your company's regulatory fee 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.

**May I request an extension of time if I am unable to file the annual report by May 1?**

Yes, however, you must make the request in writing, including a valid reason for the extension, no later than May 1. We will notify you whether your request is approved or denied. You will still be liable for penalty and interest payments if you fail to pay your regulatory fees by May 1. If you are late filing your annual report or fail to file, you could incur additional penalties.

**May I designate any information that I submit in my annual report as confidential?**

Yes, however, you must meet two conditions. You may only request confidential treatment 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 their annual report or fee sheet as confidential, we will not treat it as confidential.

Second, you must follow the requirements for filing confidential documents in WAC 480-07-160. You may find this rule at the UTC Website, [www.utc.wa.gov](http://www.utc.wa.gov). Locate "Quick Links" on the right side of the home page then select "2008 annual reports."

**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. We will not, however, disclose credit card information you list on the fee sheet.

**Where do I mail my completed annual report form and regulatory fee payment?**

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

**May I file my report electronically?**

Yes. You may file your report from the UTC's Website – <http://utc.wa.gov>. From the home page, select the "document" tab at the top of the page and then locate and select "electronic filing" from the colored bar on the left side of the page. Alternatively you may go directly to the electronic filing page by entering <http://utc.wa.gov/e-filing> into your browser.

**Where may I obtain an electronic version of the annual report form?**

Forms are available on our website at [www.utc.wa.gov](http://www.utc.wa.gov). Locate "Quick Links" on the right side of the home page and then select "2008 annual reports."

**Is there additional information I should file?**

- If you are a gas distribution company, please 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 a 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.

**Who do I contact if I have questions?**

You may call 360-664-1152 or e-mail us at: [annualreports@utc.wa.gov](mailto:annualreports@utc.wa.gov). If you need this letter or an annual report form in an alternate format, please call 360-664-1133. The TTY Toll Free phone number is 1-800-416-5289.

Sincerely,

David W. Danner  
Secretary

Enclosures

# **Attachment B**

## ATTACHMENT B

### **Reminder!** **Annual Reports and Regulatory Fees are due May 1, 2009**

On February 27, we sent you a 2008 annual report form and 2009 regulatory fee form. This is just a friendly reminder that your company's completed annual report and payment of your regulatory fees are due, postmarked, no later than May 1.

If you already mailed your annual report and regulatory fees, **thank you!** Please disregard this notice. If you have not yet filed, please be sure not to miss this deadline

You may mail your completed annual report form and regulatory fee payment to:

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

You may also file your report electronically via the UTC's Web filing portal. From the UTC's home page, [www.utc.wa.gov](http://www.utc.wa.gov), select the "document" tab at the top of the page and then locate and select "electronic filing" from the colored bar on the left side of the page. Alternatively you may go directly to the electronic filing page by entering <http://utc.wa.gov/e-filing> into your browser.

You may obtain an electronic version of the annual report and regulatory fee sheet at our Website; locate "Quick Links" on the homepage and then select "2008 annual reports".

If you fail to pay your regulatory fee or file your company's completed annual report, postmarked by May 1, UTC staff will recommend the commission issue a financial penalty. Staff may also recommend that the commission cancel your authority to operate in Washington.

Please don't let either happen. If you have questions about your report or fee or need assistance, please contact me at 360-664-1152 or e-mail me at [rcarnes@utc.wa.gov](mailto:rcarnes@utc.wa.gov).

Sincerely,



Rae Lynn Carnes,  
Revenue Accountant



# Attachment C

## ATTACHMENT C

May 15, 2009

Attention:

Your annual report to the Utilities and Transportation Commission (commission) was due by May 1 as required by law. You are now subject to enforcement action by the commission, including financial penalties. This letter tells you what you can do to avoid this. **If you have already submitted your annual report, please disregard this notice.**

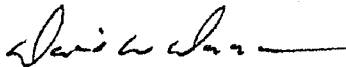
Commission staff mailed you a 2008 annual report form and fee calculation sheet on February 29, 2009. On March 27, 2009, staff mailed a reminder to file your report and pay your fees. Commission records indicate that you have not yet filed the completed report form.

**Commission staff will file for enforcement action against your company unless your completed report is received postmarked no later than May 29.** Enforcement action in this matter may include penalties of up to \$100 for each day it is late and revocation of your authority to provide telecommunications services in Washington. If your annual report was late last year and you received a penalty, the penalty this year will be incrementally higher.

If the commission receives your report **postmarked no later than May 29**, commission staff will not seek a fine or move to revoke your registration.

Annual report forms are available on the commission's Web site at [www.utc.wa.gov](http://www.utc.wa.gov). If you have questions or require additional information, please contact Sheri Hoyt, Compliance Investigator, at (360) 664-1149 or [shoyt@utc.wa.gov](mailto:shoyt@utc.wa.gov).

Sincerely,



David W. Danner  
Executive Director and Secretary

# Attachment D

## ATTACHMENT D

### Respondent Address Addendum

DigitLine Express, LLC  
Post Office Box 333783  
Fort Worth, Texas 76162

Globetel, Inc.  
30-9088 Halston court  
Burnaby, BC V3N 4L8 Canada

GTC Telecom Corp.  
3151 Airway Avenue, Suite P-3  
Costa Mesa, California 92626