November 21, 2003

TO: Marilyn Showalter, Chairwoman
             Dick Hemstad, Commissioner
             Patrick Oshie, Commissioner

FROM: Vicki Elliott, Assistant Director, Consumer Affairs

SUBJECT: Recommended Penalty Assessment No. UT-031837
             Arizona Telephony Brokers, LLC

Attached is a Notice of Penalties, accompanied by the Staff Investigation, regarding Arizona Telephony Brokers, LLC. (Arizona Telephony). In the Notice, Staff is recommending that you issue a penalty assessment against Arizona Telephony for a violation of WAC 480-120-303, which requires competitively classified companies to file annual reports with the Commission no later than May 1 of each year.

On March 6, 2003, the Commission mailed 2002 Annual Report forms and 2003 Regulatory Fee packets to local and competitive telecommunications companies registered in Washington State. A letter signed by Carole Washburn instructed companies to file annual reports by May 1, 2003. Companies requesting an extension were asked to do so prior to May 1, providing a reason for the requested extension.

On June 5, 2003, a letter signed by Carole Washburn was sent to each telecommunications company that had not filed an annual report by May 1, 2003. The letter stated that Staff intended to recommend enforcement action, including possible penalties and/or suspension or revocation of authority, for any company that failed to file a completed annual report.

In September 2003, Staff conducted its yearly review of annual reports and regulatory fees for telecommunications companies. Staff identified that as of September 30, 2003,

Arizona Telephony had not filed its 2002 annual report.   The Commission mailed a Notice of Impending Revocation of Registration as a Telecommunications Company and Opportunity to Request a Hearing to the Company on September 30, 2003. Subsequently, Arizona Telephony filed its annual report on November 3, 2003.

Recommendation:
Penalize Arizona Telephony $100.00 for one violation of WAC 480-120-303.

Attachments