

January 25, 2006

Marcos Melendez, CEO
Marathon Communications, Inc.
1550 North 34th Street, #200
Seattle, Washington 98103

Dear Mr. Melendez:

The Washington Utilities and Transportation Commission (Commission) recently reviewed consumer complaints filed against Marathon Communications, Inc. (Marathon) in 2005. The investigation was initiated by allegations contained in Commission customer complaints that Marathon violated Washington Administrative Code (WAC) 480-120-166(6), 480-120-166(7), and 480-120-166(8). Commission Consumer Affairs Staff, responsible for managing customer complaints, alleged that Marathon failed to respond to the complaints as required by Commission rule in a number of the complaints filed with the Commission by customers of Marathon.

Staff has completed its investigation of Marathon's consumer complaints. The investigation report is enclosed for your review. In the investigation report, Staff found the company out of compliance a substantial number of times. A review of Marathon's 2004 complaint records revealed it received technical assistance on WAC 480-120-166 from Staff on at least 17 occasions. Because Marathon received technical assistance numerous times in 2004, Staff finds the Commission could issue penalties for continued violations in 2005, as follows:

1. Two (2) violations of WAC 480-120-166(7) for failure of Marathon to respond timely to complaint number 93239 passed on April 19, 2005, subject to a penalty of \$200.00.
2. Five (5) violations of WAC 480-120-166(8) for failure of Marathon to respond timely to a request for additional information in complaint number 93239 made on May 4, 2005, subject to a penalty of \$500.00.

3. Three (3) violations of WAC 480-120-166(8) for failure of Marathon to respond timely to a request for additional information in complaint number 93239 made on May 16, 2005, subject to a penalty of \$300.00.
4. Six (6) violations of WAC 480-120-166(8) for failure of Marathon to respond timely to a request for additional information in complaint number 93280 made on May 3, 2005, subject to a penalty of \$600.00.
5. One hundred forty-five (145) violations of WAC 480-120-166(8) for failure of Marathon to respond timely to a request for additional information in complaint number 93280 made on May 31, 2005, subject to a penalty of \$14,500.00.
6. Two (2) violations of WAC 480-120-166(6) for failure of Marathon to respond timely to complaint number 93536 passed on May 18, 2005, subject to a penalty of \$200.00.
7. Seventy-four (74) violations of WAC 480-120-166(8) for failure of Marathon to respond timely to a request for additional information in complaint number 93536 made on June 2, 2005, subject to a penalty of \$7,400.00.
8. Twenty (20) violations of WAC 480-120-166(7) for failure of Marathon to respond timely to complaint number 93893 passed on June 23, 2005, subject to a penalty of \$2,000.00.
9. Thirty-six (36) violations of WAC 480-120-166(7) for failure of Marathon to respond timely to complaint number 93893 passed on September 14, 2005, subject to a penalty of \$3,600.00.
10. Seventeen (17) violations of WAC 480-120-166(6) for failure of Marathon to respond timely to complaint number 93939 passed on June 28, 2005, subject to a penalty of \$1,700.00.
11. Seventy-four (74) violations of WAC 480-120-166(8) for failure of Marathon to respond timely to a request for additional information in complaint number 94223 made on July 26, 2005, subject to a penalty of \$7,400.00.

12. Sixty-nine (69) violations of WAC 480-120-166(8) for failure of Marathon to respond timely to a request for additional information in complaint number 94223 made on August 2, 2005, subject to a penalty of \$6,900.00.
13. Sixty-nine (69) violations of WAC 480-120-166(8) for failure of Marathon to respond timely to a request for additional information in complaint number 94245 made on August 5, 2005, subject to a penalty of \$6,900.00.
14. Sixty-five (65) violations of WAC 480-120-166(8) for failure of Marathon to respond timely to a request for additional information in complaint number 94245 made on August 11, 2005, subject to a penalty of \$6,500.00.
15. Thirty-four (34) violations of WAC 480-120-166(7) for failure of Marathon to respond timely to complaint number 94867 passed on September 16, 2005, subject to a penalty of \$3,400.00.
16. Twenty-three (23) violations of WAC 480-120-166(7) for failure of Marathon to respond timely to complaint number 95056 passed on October 4, 2005, subject to a penalty of \$2,300.00.
17. Ten (10) violations of WAC 480-120-166(7) for failure of Marathon to respond timely to complaint number 95208 passed on October 19, 2005, subject to a penalty of \$1,000.00.

The 17 instances where Staff finds penalties could be assessed for violations of rule total \$65,400.00 in possible penalties.

Staff would like to meet with Marathon's representatives to discuss the company's business practices. We want to offer Marathon an opportunity to talk with Staff and potentially reach an agreement on the appropriate actions required of the company to achieve compliance with the Commission's rules, as well as agreement of appropriate sanctions for rule violations.

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If Marathon is interested in pursuing such an opportunity, a representative of the company must contact Sheri Hoyt, Compliance Specialist, Business Practices Investigations, no later than February 6, 2005. Ms. Hoyt may be reached at 360-664-1149, or at shoyt@wutc.wa.gov.

Sincerely,

Carole J. Washburn
Executive Secretary

Enclosure