June 29, 2015

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. Global Grid Telecom, Inc.*

 Commission Staff’s Response to Application for Mitigation of Penalties UT-150819

Dear Mr. King:

On June 3, 2015, the Utilities and Transportation Commission issued a $1,000 Penalty Assessment in Docket UT-150819 against Global Grid Telecom, Inc. for 10 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.

On June 16, 2015, Global Grid Telecom, Inc. wrote the commission requesting mitigation of penalties. In its mitigation request, Global Grid Telecom, Inc. does not dispute the violation occurred. The company states, “I am in receipt of the penalty assessment regarding my certification and am embarrassed that I have made such a mistake. Please find enclosed a copy of the OREGON Utilities Commission letter which states that they are providing me a refund for a double payment and double filing of my annual report. It seems that at the time I prepared my annual reports for Washington state and Oregon, I sent TWO reports to Oregon instead of ONE annual report to each state”.

It is the company’s responsibility to ensure that the regulatory fee is paid and the annual report is filed by the May 1 deadline. On February 27, 2015, Annual Report packets were mailed to all regulated telecommunications companies. The instructions for annual report completion page of the annual report informed the regulated company that it must complete the annual report form, pay the regulatory fees, and return the materials by May 1, 2015, to avoid enforcement action.

On May 28, 2015, Global Grid Telecom, Inc. filed a complete 2014 annual report with no regulatory fees owed. The company previously missed the deadline to file its annual report and pay regulatory fees for the 2005, 2006 and 2012 reporting years. Mitigation was received for the

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2012 penalty assessment. While the letter from the Oregon Public Utility Commission does reference a refund for overpayment, there were no regulatory fees owed to the Washington Utilities and Transportation Commission. Due to the prior violations of WAC 480-120-382, staff does not support any mitigation of the penalty.

If you have any questions regarding this recommendation, please contact Amy Andrews, Regulatory Analyst, at (360) 664-1157, or aandrews@utc.wa.gov.

Sincerely,

Sondra Walsh, Director

Administrative Services