



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250

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June 28, 2016

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. DCT Telecom Group, Inc.*

Commission Staff's Response to Application for Mitigation of Penalties UT-160551

Dear Mr. King:

On June 14, 2016, the Utilities and Transportation Commission issued a \$1,000 Penalty Assessment in Docket UT-160551 against DCT Telecom Group, Inc. for ten violations of Washington Administrative Code (WAC 480-120-382), which requires telecommunications companies to furnish annual reports, supporting documentation and the regulatory fee to the commission no later than May 1 each year, or in this case, May 2 as May 1 was a Sunday.

On June 15, 2016, DCT Telecom Group, Inc. wrote the commission requesting mitigation of penalties. In its mitigation request, DCT Telecom Group, Inc. does not dispute the violation occurred. The company states, "...The company financial statements were unavailable prior to May 12, 2016. The company had initially estimated the financial information would be available by April 15, 2016."

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 29, 2016, Annual Report packets were mailed to all regulated telecommunications companies. The instructions page along with Schedule 1, Part A informs the regulated company that it must complete the annual report form, provide the supporting financial reporting documents and pay the regulatory fees, and return the materials by May 2, 2016, to avoid enforcement action.

On May 17, 2016, DCT Telecom Group, Inc. filed a complete 2015 annual report and paid the regulatory fee of \$150.

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DCT Telecom Group, Inc. has been active since 2005 and filed it's previous annual reports on time. Due to the company's long running compliance, staff recommends a reduced penalty of \$25 per day for a total penalty assessment of \$250

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

Sincerely,



Sondra Walsh, Director
Administrative Services