



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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August 2, 2017

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. GC Pivotal, LLC*

Commission Staff's Response to Application for Mitigation of Penalties UT-170450

Dear Mr. King:

On June 26, 2017, the Utilities and Transportation Commission issued a \$200 Penalty Assessment in Docket UT-170450 against GC Pivotal, LLC for 10 violations of Washington Administrative Code (WAC 480-120-382), which requires competitively classified telecommunication companies to furnish annual reports and the regulatory fee to the commission no later than May 1 each year.

On July 12, 2017, GC Pivotal, LLC wrote the commission requesting mitigation of penalties. In its mitigation request, GC Pivotal, LLC does not dispute the violation occurred. The company states, "...we were not made aware of the violation until 10 business days had passed. It was then corrected within 3 hours (see attached emails). If we had known of the violation earlier, it would not have been late. But to penalize us for the 10 days that Commission staff waited to notify us seems excessive."

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 28, 2017, Annual Report packets were sent to all regulated competitively classified telecommunication companies. The instructions page informs the regulated company that it must complete the annual report form and pay the regulatory fees, and return the materials by May 1, 2017, to avoid enforcement action.

The company filed their incomplete annual report and paid the regulatory fee on May 1, 2017. Commission Staff contacted GC Pivotal, LLC on May 18 and advised them that the annual report was incomplete. On that same day, GC Pivotal, LLC provided a complete annual report. A \$1,000 penalty could be assessed, however, in consideration of the company's prompt response, the Commission assessed a mitigated penalty of \$200.

UTC Annual Reports

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The Commission regulates more than 950 companies and reviews and processes annual reports in the order received. Annual Reports are available on the Commission website no later than March 1 and Commission Staff encourages companies to file early. GC Pivotal, LLC did not illustrate that they were unable to file their annual report and pay their regulatory fee due to circumstances beyond their control. Staff does not recommend mitigation nor a further reduction of the penalty.

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

Sincerely,

/s/ Sean Bennett

Sean Bennett, Regulatory Analyst  
Administrative Services