



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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July 28, 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. Master Call Connections, LLC*

Commission Staff's Response to Application for Mitigation of Penalties UT-170465

Dear Mr. King:

On June 27, 2017, the Utilities and Transportation Commission issued a \$1,000 Penalty Assessment in Docket UT-170465 against Master Call Connections, LLC for 10 violations of Washington Administrative Code (WAC 480-120-382), which requires competitively classified telecommunication companies to furnish annual reports, company financials and the regulatory fee to the commission no later than May 1 each year.

On July 7, 2017, Master Call Connections, LLC wrote the commission requesting mitigation of penalties. In its mitigation request, Master Call Connections, LLC does not dispute the violation occurred. The company states, "...We did not conduct any business in the state of Washington prior to 2017. Since we were a new telecommunications company in the state of Washington, we sought professional assistance to fulfill our compliance obligations in Washington." Master Call Connections, LLC further states that they hired a third-party company to complete their tax and regulatory filings and believed they were in compliance. Master Call Connections, LLC states that the third-party's failure to perform its contractual obligation to file the annual report is a circumstance beyond its control.

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 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 an incomplete annual report on March 27, 2017. On March 28, Commission Staff sent an email directly to Master Call Connections, LLC and advised the company that the

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annual report was incomplete and the regulatory fee was outstanding. The regulatory fee was paid on June 30 and the complete annual report was provided on July 14 following additional conversations between Commission Staff and Master Call Connections, LLC.

The Commission will only grant mitigation if the violations occurred due to circumstances beyond the company's control. Master Call Connections, 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 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.

Sincerely,

/s/ Sean Bennett

Sean Bennett, Regulatory Analyst
Administrative Services