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Steven V. King, Executing Director and Secretary
Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P.O. Box 47250
Olympia, WA 98504-7250

July 31, 2017

RE: Mitigation of Penalty Assessment UT-170465

Dear Mr. King:

This letter is in response to the Commission Staff's Response that Sean Bennett submitted and is dated July 28, 2017.

We understand that it is the responsibility of telecommunications companies to ensure that the annual report is filed and the regulatory fee is paid and that we received an Annual Report packet informing us of these requirements. However, our reasonable reliance on a professional compliance company to fulfill these obligations is a mitigating factor, because of which the \$1,000 penalty should be excused.

Our company has tax and regulatory compliance obligations in many states, including Washington. Since we are not compliance experts and do not have internal resources for fulfillment of compliance obligations, we retained a company, Global Strategic Accountants, LLC, specifically for the purpose of ensuring that our obligations in all the states are met. Global Strategic Accountants failed to do so in the state of Washington. As such, the violation was due to circumstances that were completely out of our control. As soon as we learned that Global failed to comply, we began working with the Utilities and Transportation Commission to meet Washington's compliance obligations. We did so in a prompt matter.

Because of these mitigating circumstances, we respectfully request that you excuse or at least substantially reduce the \$1,000 penalty.

Sincerely,

Rouslan Tsoutiev, CEO