

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment Against	DOCKET UT-170465
MASTER CALL CONNECTIONS, LLC	ORDER 01
in the amount of \$1,000	DENYING MITIGATION

BACKGROUND

- 1 On February 28, 2017, the Washington Utilities and Transportation Commission (Commission) mailed annual report and regulatory fee forms to all telecommunications companies. The forms included a reminder that companies must file their annual reports and pay their regulatory fees by May 1, 2017, or face penalties of \$100 for each violation of Commission rules. In the case of continuing violations, each day's continuance is a separate violation. RCW 80.04.405.
- 2 Master Call Connections, LLC (Master Call or Company) did not file an annual report on May 1, 2017, and had not made that filing by May 15. On June 27, 2017, the Commission assessed a penalty of \$1,000 against Master Call, calculated as \$100 per business day from May 1 to May 15.
- 3 On July 7, 2017, Master Call responded to the Commission's penalty assessment, admitting the violations and requesting mitigation based on the written information provided. In its response, the Company explained that it contracted with a third party to file its annual report. Master Call argues that the third party's failure to fulfill its contractual obligation constitutes circumstances beyond its control.
- 4 On July 14, 2017, Master Call filed a complete annual report and paid its regulatory fee.
- 5 On July 28, 2017, Commission staff (Staff) filed a response recommending the Commission deny the Company's request for mitigation. The penalty assessment notified the Company that mitigation would only be granted if the Company could demonstrate that the violations occurred due to circumstances beyond its control. Staff notes that it contacted Master Call on March 28, 2017, and notified the Company directly that its report was incomplete. Master Call failed to correct the violation until more than three

months later. Accordingly, Staff disagrees that the violations were beyond the Company's control and does not support its request for mitigation.

DISCUSSION

- 6 WAC 480-120-382 requires telecommunications companies to file annual reports by May 1 of each year. Companies are responsible for complying with their legal obligations, and the Company should have taken steps to ensure its report was timely filed.
- 7 We agree with Staff that mitigation of the penalty is not appropriate in the circumstances presented here. The penalty assessment advised the Company that a request for mitigation will only be granted if the violations occurred due to circumstances beyond its control.¹ Master Call's explanation for the violations – that a third party was responsible for the error – is equivalent to the Company blaming its own employee, which is expressly identified in the penalty assessment as an unacceptable basis for mitigation. Moreover, the explanation is not credible in light of the fact that Staff notified the Company directly that its report was incomplete more than 30 days prior to the May 1 deadline. Accordingly, we find that Master Call failed to demonstrate that the violations occurred due to circumstances beyond its control, and conclude that its request for mitigation should be denied.

ORDER

THE COMMISSION ORDERS:

- 8 (1) Master Call Connections, LLC's request for mitigation of the \$1,000 penalty is DENIED.
- 9 (2) The \$1,000 penalty is due and payable no later than September 15, 2017.

¹ Those circumstances include, but are not limited to: death or serious illness of the person responsible for filing the report, or a member of that person's immediate family; destruction by fire or other casualty of the company's place of business or business records; or an act of fraud, embezzlement, theft, or conversion on the part of an employee. Circumstances that do not qualify as an acceptable basis for requesting mitigation include: financial hardship; a misunderstanding or lack of knowledge of Commission rules; failure to receive an annual report form from the Commission; mistakes or misconduct on the part of an employees; employee termination or turnover; personal events such as weddings or graduation ceremonies; and vacations or business trips.

10 The Secretary has been delegated authority to enter this order on behalf of the Commissioners under WAC 480-07-904(1)(h).

DATED at Olympia, Washington, and effective September 1, 2017.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING
Executive Director and Secretary

NOTICE TO PARTIES: This is an order delegated to the Executive Secretary for decision. As authorized in WAC 480-07-904(3), you must file any request for Commission review of this order no later than 14 days after the date the decision is posted on the Commission's website.