



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 13, 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. Northwest Connections*

Commission Staff's Response to Application for Mitigation of Penalties TN-160665

Dear Mr. King:

On June 17, 2016, the Utilities and Transportation Commission issued a \$1,000 Penalty Assessment in Docket TN-160665 against Northwest Connections for ten violations of Washington Administrative Code (WAC 480-30-080), which requires nonprofit special needs transportation companies to furnish annual reports 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 29, 2016, Northwest Connections wrote the commission requesting a review and reconsideration of penalties. In its request, Northwest Connections disputes that the violation occurred. The company states, "...Both the annual report and the financial report including payment were documented as received on May 2<sup>nd</sup>, 2016 and thus proving that the documents were received as required. During conversations with WUTC staff it was clearly documented that the WUTC records showed all documents were received as required. The WUTC reported that staff tried to reach out on May 3<sup>rd</sup>, 2016; however we can find no record of that call. On May 27<sup>th</sup>, 2016 a copy of the annual report was once again submitted to the WUTC which is documented via receipt, and further a copy was faxed to ensure receipt of said document. Copies are attached. I was able to confirm that payment was received as evidenced by the attached transaction statement. In the time Northwest Connections has been regulated under the WUTC we were only late once (2014 report) and the penalty was paid without a request for mitigation, as we recognized that it was our fault for not submitting as required." The company provided documents that show the annual report was submitted electronically on June 27 and that the regulatory fee cleared their account on May 3.

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 nonprofit transportation 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 2, 2016, to avoid enforcement action.

On May 2, 2016, Northwest Connections paid the regulatory fee. The commission did not receive an annual report on or before May 2. As the annual report was not submitted, commission staff did not reach out to Northwest Connections. The documents the company provided in its request show that the annual report was submitted on June 27. The annual report was received on June 27. Commission staff did speak with the company (around June 27) in the process of obtaining a complete annual report. However, staff did not indicate that the annual report was previously received nor that staff called Northwest Connections to receive a complete annual report.

Northwest Connections has been active since 2005 and previously filed their annual report late for the 2014 operating year. The company paid the penalty in full. Although the company had a recent violation of WAC 480-30-080, the company is involved in non-profit work and as such, 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](mailto:sbennett@utc.wa.gov).

Sincerely,

A handwritten signature in blue ink that reads "Sondra Walsh".

Sondra Walsh, Director  
Administrative Services