



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 8, 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. 2C Captains, Inc.*

Commission Staff's Response to Application for Mitigation of Penalties TE-160671

Dear Mr. King:

On June 20, 2016, the Utilities and Transportation Commission issued a \$1,000 Penalty Assessment in Docket TE-160671 against 2C Captains, Inc. for ten violations of Washington Administrative Code (WAC 480-30-071 and 480-30-076), which requires charter and excursion 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 27, 2016, 2C Captains, Inc. wrote the commission requesting mitigation of penalties. In its mitigation request 2C Captains, Inc. does not dispute the violation occurred. The company states, "...2C Captains had filed its report but made a couple of errors due to my hast and incompetence. Additionally, 2C Captains is a small seasonal tour company doing tours dependent on tourists to and from the cruise ships. These ships frequent Seattle from April to October so we are frequently not here in the winter months, especially February and March. I filled out the annual report in haste with some errors mentioned in a UTC email received May 10. I received a phone call in early May from your office reporting my errors and that person sent a copy of my report back to me. I then corrected the report and mailed it back to the UTC immediately, as your letter of May 20 states it was filed and paid on May 19."

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 charter and excursion companies. The instruction 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.

UTC Annual Reports

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On May 2, 2016, 2C Captains, Inc. paid the regulatory fee and filed an incomplete annual report. The annual report was incomplete as the business structure and the interstate mileage information was missing. Furthermore, the regulatory fee calculation schedule was not completed. On May 10, Commission staff sent an email and spoke with the company over the phone and advised the company that the annual report was incomplete. The updated and complete annual report was received on May 19.

2C Captains, Inc. has been active since 2007 and previously filed their annual report late for the 2014 operating year. The penalty was reduced to \$250 and was subsequently paid by the company. Due to the previous violation of WAC 480-30-071 and 480-30-076, staff does not recommend 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,



Sondra Walsh, Director
Administrative Services