



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY (360) 586-8203

July 20, 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. T & T Professional Services*

Commission Staff's Response to Request for Hearing UW-170424

Dear Mr. King:

On June 22, 2017, the Utilities and Transportation Commission issued a \$1,000 Penalty Assessment in Docket UW-170424 against T & T Professional Services for 10 violations of Washington Administrative Code (WAC 480-110-505), which requires water companies to furnish annual reports and the regulatory fee to the commission no later than May 1 each year.

On July 6, 2017, T & T Professional Services wrote the commission requesting a hearing and applying for mitigation. In its request, the company states, "...I submitted my annual report in the mail for 2016 on April 13th, 2017. (Copy enclosed) I'm confused why the commission didn't let me know on May 1, At least I could have sent the copy n and only have a penalty for one date instead of ten. Even though I would still address the penalty as I was not late submitting the original Annual Report for 2016. We have been in business since 2004, and always sent the annual report in on time except for 2015 as we were trying to deed the water systems to the property owners and was notified by UTC stating we couldn't do that. During the number hearings we thought the UTC had deregulated us in 2014."

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 water 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 their complete annual report on July 6, 2017. A regulatory fee was not due as this company had less than \$20,000 in WA Intrastate Revenue. The company may have sent the annual report on April 13, 2017, however, it was not received by the Commission until T & T

Professional Services filed a copy with their response to the penalty assessment on July 6. Regulated companies are encouraged to file their annual report electronically as the filer will receive a confirmation email confirming that the Commission received the annual report. The Commission currently regulates more than 950 companies and annual reports are reviewed in the order received. Companies are encouraged to contact Commission Staff if they want to verify that an annual report is complete.

There are no material issues of law or fact. Staff does not support the company's request for hearing as commission staff did not receive an annual report prior to the May 1 deadline and it is the company's responsibility to file a complete and accurate annual report. The Commission will only grant mitigation if the violations occurred due to circumstances beyond the company's control. T & T Professional Services 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. Staff believes that this penalty may create a financial hardship for a company with limited revenue. As such, Staff recommends that \$500 of the penalty be suspended on the condition the Company timely files its 2017 annual report and the associated regulatory fee by May 1, 2018 and either pays the \$500 unsuspended portion of the penalty or come to a payment arrangement with Commission Staff within 15 days of the Commission's order.

If you have any questions regarding this recommendation, please contact Sean Bennett, Regulatory Analyst, at (360) 664-1157, or sbennett@utc.wa.gov.

Sincerely,



Mark L. Johnson, Director
Administrative Services