



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 14, 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. ALCLS, LLC*

Commission Staff's Response to Request for Hearing TE-170596

Dear Mr. King:

On June 20, 2017, the Utilities and Transportation Commission issued a \$1,000 Penalty Assessment in Docket TE-170596 against ALCLS, LLC for 10 violations of Washington Administrative Code (WAC 480-30-071 and 480-30-076), which requires charter and excursion companies to furnish annual reports, supporting documentation and the regulatory fee to the commission no later than May 1 each year.

On June 23, 2017, Harlow's Bus Service, Inc. wrote the commission requesting a hearing and applying for mitigation. In its request, the company states, "...please take into consideration the enclosed paperwork proving that I truly thought that I had done everything I was suppose to do. I even hired my computer guy to help me. I do not have \$1,000 – I will go out of business. I am not computer sayy and it scares me that I won't do something right. I have requested all paperwork to be mailed to me in writing. This is the only 20 passenger Hummer in Spokane." ALCLS, LLC provided the following documentation: U.S. DOT annual report reminder; Secretary of State Annual Report and Fee that was filed and paid on March 14; and a UTC Driver/Vehicle Examintion Report showing no safety violations were discovered. ALCLS, LLC further writes that they believed they filed the annual report based on their other filings and that a Commission Staff Safety Inspector advised the company that everything was complete.

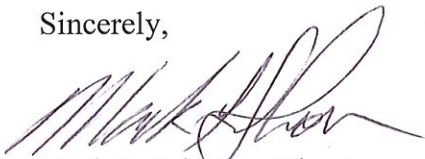
A Commission driver/vehicle inspection occurred on April 11, 2017 no safety violations were discovered. The inspection did not focus on whether the company's annual report was filed prior to the May 1 deadline and Commission Staff did not advise the company that the annual report was complete at that time. The company filed their complete annual report on June 26, 2017 and the regulatory fee was paid on June 23.

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 charter and excursion 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.

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. ALCLS, LLC 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. ALCLS, LLC indicates that a \$1,000 penalty would impose a substantial hardship while also forcing the business to close. After reviewing the company's prior revenue figures, staff agrees that this penalty may create a financial hardship. 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](mailto:sbennett@utc.wa.gov).

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark L. Johnson', written over a white background.

Mark L. Johnson, Director  
Administrative Services