

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment	)	DOCKET UW-130892
Against	)	
	)	ORDER 01
Green Mountain H2O,	)	
	)	ORDER DENYING MITIGATION
in the amount of \$1,800	)	
.....	)	

**BACKGROUND**

- 1 Washington law requires regulated water companies to file annual reports and pay regulatory fees by May 1 of each year. WAC 480-110-505. On February 28, 2013, the Washington Utilities and Transportation Commission (Commission) mailed annual report and regulatory fee forms to all regulated water companies. The cover letter accompanying the forms reminded companies to file their annual reports and pay their regulatory fees by May 1, 2013, and detailed potential penalties companies faced if they failed to file by that date. The penalties include an assessment of \$100 for each violation of Commission rules, and in the case of continuing violations, each day’s continuance is a separate violation. RCW 80.04.405.
  
- 2 On May 10, 2013, the Commission notified Green Mountain H2O (Green Mountain or Company) that the Company’s annual fee and regulatory report were overdue, and that, as a consequence, Green Mountain had accrued a penalty of \$700. That notice further explained that the penalty would increase by \$100 per day for each business day that the Company failed to file the report and pay the fee. The notice stated that companies that filed no later than May 24, 2013, would receive mitigated penalties, but Green Mountain did not file its annual report or pay its regulatory fee by that date.
  
- 3 On May 28, 2013, Green Mountain filed a complete annual report.<sup>1</sup> On July 31, 2013, the Commission assessed a penalty of \$1,800 against the Company for the late filing, calculated as \$100 per business day from May 1 to May 24, the date on which daily penalties ceased to accrue.

---

<sup>1</sup> The Company previously filed an incomplete report and paid its regulatory fee on April 4, 2013.

- 4 On October 27, 2013, Green Mountain filed a letter requesting a waiver of the assessed penalty, which we construe as a late-filed application for mitigation. The Company contends that it timely filed the report but due to “bookkeeping issues,” Green Mountain did not provide the additional information the Commission requested until after the filing deadline. The Company believes the penalty is excessive under the circumstances and would be difficult to pay in the current economic climate.
- 5 On November 7, 2013, Staff filed a response recommending against reducing the assessed penalty. Staff observes that Green Mountain submitted its request over three months after any applications for mitigation of the assessed penalty were due; the Company did not file a complete annual report until May 28, 2013 – after the May 24 date by which companies that had filed would be eligible for mitigated penalties; and Green Mountain’s filings were also delinquent in 2012. Under these circumstances, Staff does not support mitigation.

### **DISCUSSION**

- 6 We agree with Staff’s recommendation. This is the second year in a row that Green Mountain has failed to timely file its annual report. The Company’s performance improved somewhat this year in that Green Mountain submitted a partial annual report and paid its regulatory fee on April 4, 2013, almost one month before the deadline. The Commission, however, does not consider an annual report to be filed until that report includes all required information, and the Company failed to provide it until May 28, 2013, almost one month after the deadline. The only explanation Green Mountain offers for this time lag is unspecified “bookkeeping issues.” The Company’s internal accounting problems, however, do not justify reducing the penalty.
- 7 Under the circumstances presented, we find that the Company continues to fail to comply with its regulatory obligations and that \$1,800 is a reasonable penalty for that failure and an appropriate incentive to make timely filings in the future.

**ORDER**

THE COMMISSION ORDERS:

- 8 (1) The request of Green Mountain H2O for mitigation of the \$1,800 penalty is  
DENIED.
- 9 (2) The penalty is due and payable no later than December 31, 2013.
- 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 December 13, 2013.

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. The Commission will grant a late-filed request for review only on a showing of good cause, including a satisfactory explanation of why the person did not timely file the request. A form for late-filed requests is available on the Commission's website.