

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment	)	DOCKET TS-141008
Against	)	
	)	ORDER 01
PUGET SOUND EXPRESS, INC.	)	
	)	ORDER GRANTING
in the amount of \$1,000	)	MITIGATION
.....	)	

**BACKGROUND**

- 1 Washington law requires commercial ferry companies to file annual reports and pay regulatory fees by May 1 of each year. WAC 480-51-100. On February 28, 2014, the Washington Utilities and Transportation Commission (Commission) mailed annual report and regulatory fee packets to all regulated commercial ferry companies. The forms included a reminder that companies must file their annual reports and pay their regulatory fees by May 1, 2014, or face penalties of \$100 for each violation of Commission rules. In the case of continuing violations, each day’s continuance is a separate violation. RCW 80.04.405.
- 2 Puget Sound Express timely paid its regulatory fee but did not file its annual report on May 1, 2014, and had not made that filing by May 15. On May 22, the Commission assessed a penalty of \$1,000 against Puget Sound Express, calculated as \$100 per business day from May 1 to May 15.
- 3 On May 28, 2014, Puget Sound Express filed its annual report. On June 2, the Company responded to the Commission’s penalty assessment admitting the violations and requesting mitigation of the penalty based on the written information provided. The Company explained that it faxed its report to the Commission on May 1, and paid its regulatory fee by phone that same day. After receiving the penalty, the Company called the Commission, learned its report had not been received, and promptly resubmitted it.
- 4 On June 13, 2014, Commission Staff (Staff) filed a response recommending the Commission mitigate the penalty in full. Staff noted that the Company has been

active since 1994, and had one prior violation of WAC 480-51-100 in 2005. When the Company contacted the Commission regarding the penalty assessment, Staff determined that a previously unidentified partial fax received on May 1 belonged to Puget Sound Express. Staff recommended waiving the penalty based on the Company's good faith effort to file its report on May 1 and the Company's compliance history.

### **DISCUSSION**

- 5 The Commission agrees with Staff's recommendation and will not impose a penalty. The Commission's primary objective in any enforcement action is to ensure compliance with a company's legal obligations; penalties both punish past violations and provide an incentive to comply in the future. Given the circumstances here, we believe neither punishment nor incentive is warranted. The Company believed it had filed its annual report on May 1, and did not learn otherwise until it received the penalty assessment. Moreover, the Company timely paid its regulatory fee that same day. In light of the Company's good faith effort to comply with the filing requirements, we will grant full mitigation of the penalty.

### **ORDER**

#### **THE COMMISSION ORDERS:**

- 6 (1) The request of Puget Sound Express, Inc. for mitigation of the \$1,000 penalty is GRANTED.
- 7 (2) No penalty is due.

- 8 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 August 4, 2014.

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.**