

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment Against NEWAUKUM WATER SYSTEM in the amount of \$300	DOCKET UW-160531 ORDER 01 ORDER GRANTING MITIGATION
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BACKGROUND

- 1 On February 29, 2016, the Washington Utilities and Transportation Commission (Commission) mailed annual report and regulatory fee forms to all regulated water companies. The forms included a reminder that companies must file their annual reports and pay their regulatory fees by Monday, May 2, 2016, 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 Newaukum Water System (Newaukum or Company) filed its annual report on May 5, 2016. On June 13, the Commission assessed a penalty of \$300 against Newaukum, calculated as \$100 per business day from May 2 to May 4.
- 3 On July 5, 2016, Newaukum responded to the Commission's penalty assessment, admitting the violations and requesting a decision based on the written information provided. The Company explained that because its board chairman was recently hospitalized, he inadvertently overlooked the filing due to ongoing medical issues.
- 4 On July 15, 2016, Commission staff (Staff) filed a response recommending the Commission grant the Company's request for mitigation because the Company has no prior violations of 480-110-505, the Company corrected the violations prior to receiving the penalty assessment, and the Company introduced new information in its response related to the board chairman's medical issues.

DISCUSSION

- 5 WAC 480-110-505 requires regulated water companies to file annual reports and pay regulatory fees by May 1 of each year, or the first business day thereafter. Companies are

responsible for complying with their legal obligations, and the Company should have taken steps to ensure its report was received by the deadline.

- 6 The Commission nevertheless agrees with Staff's recommendation. The Commission may consider a number of factors when entertaining a request for mitigation, including whether the violation was promptly corrected, a company's history of compliance, and the likelihood the violation will recur.¹ Here, Newaukum corrected the violation prior to receiving the penalty assessment. In addition, the Company introduced information in its request for mitigation related to the board chairman's ongoing medical issues, which interfered with the Company's ability to file its report by the deadline. In light of these factors, the Commission will exercise its discretion to grant mitigation of the penalty in full.

ORDER

THE COMMISSION ORDERS:

- 7 (1) Newaukum Water System's request for mitigation of the \$300 penalty is
GRANTED.
- 8 (2) No penalty is due.
- 9 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 10, 2016.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING
Executive Director and Secretary

¹ Docket A-120061, Enforcement Policy for the Washington Utilities and Transportation Commission (January 7, 2013).

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.