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August 22, 2005

Carole J. Washburn, Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P. O. Box 47250
Olympia, Washington 98504-7250

Re: *Application of Mike Lauver and John Solin d/b/a Saratoga Shuttle for a New Certificate*
Docket No. TS-050443

Dear Ms. Washburn:

This letter responds to the Motion to Amend Application filed August 15, 2005, by Mike Lauver and John Solin, d/b/a Feet Wet Partners (the Applicants).

As represented in the Applicant's motion, Staff agrees that a general partnership is a legal entity that may be issued a certificate in its own name, assuming there is an agreement in place that the certificate is to be the property of the partnership and not of the individual partners. See RCW 25.05.050, 060, 065. This was not the case prior to the adoption of the Revised Uniform Partnership Act in 1998, when partnerships were not recognized as separate legal entities, but only as aggregates of individuals.

Because certificates of public convenience and necessity constitute property, and because the law requires Commission approval whenever there is a transfer of ownership of a certificate, it is important that the certificate be issued in the name of the real owner—not in an alias or trade name.

The Applicants apparently have reorganized their general partnership as a limited liability company called "FEET WET PARTNERS, LLC." Limited liability companies organized under chapter 25.15 RCW also are entities in whose name a certificate may be issued because they, like partnerships and corporations, may own property in their name. RCW 25.15.030.

The Applicants' motion should be granted by analogy to Civil Rule 25(c) which provides that "In case of any transfer of interest, the action may be continued by . . . the original



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party, *unless the court upon motion directs the person to whom the interest is transferred to be substituted in the action ...*” CR 25(c) addresses substitution of parties in circumstances in which, during the course of the litigation, an interest is transferred from a party to another entity. It also controls the procedure for substitution when one corporate entity loses its identity through dissolution or merger with another corporate entity. The rule allows the action to continue in the name of the transferor unless the court chooses to order substitution of the transferee. *See, e.g., Burka v. Aetna Life Insurance Co.*, 87 F.3d 478 (D.C. Cir. 1996)(discussing identical federal provision).

There is no reason of which Staff is aware for the Applicants to re-apply under WAC 480-51-030 or for the Commission to provide a second notice to other certificate holders or interested parties as provided by WAC 480-51-040(1). The *exact* organizational form of the applicant (i.e., whether sole proprietor, partnership, or corporation) is not a material aspect of the notice.

Sincerely,



JONATHAN C. THOMPSON
Assistant Attorney General

JCT:tmw
cc: Parties