

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment	)	DOCKET UW-140839
Against	)	
	)	ORDER 01
CRESCENT BAR, INC.	)	
	)	ORDER DENYING MITIGATION
in the amount of \$1,000	)	
.....	)	

**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, 2014, the Washington Utilities and Transportation Commission (Commission) mailed annual report and regulatory fee packets to all regulated water 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 Crescent Bar did not file its annual report on May 1, 2014, and had not made that filing by May 15. On May 29, the Commission assessed a penalty of \$1,000 against Crescent Bar, calculated as \$100 per business day from May 1 to May 15.
- 3 On May 21, 2014, Crescent Bar filed its annual report and paid both its regulatory and late payment fees.
- 4 On June 16, 2014, Crescent Bar responded to the Commission’s penalty assessment admitting the violations and requesting mitigation of the penalty based on the written information provided. The Company apologized for its late filing, and stated it has never missed its filing deadline in the past, nor will it miss the deadline going forward. The Company also stated the penalty will create a financial hardship.
- 5 On June 13, 2014, Crescent Bar filed its annual report and paid its regulatory and late payment fees.

6 On June 30, 2014, Commission Staff (Staff) filed a response recommending the Commission deny the Company's request for mitigation because the Company was delinquent in 2013 and received a mitigated penalty at that time.

### **DISCUSSION**

7 WAC 480-110-505 requires regulated water companies to file annual reports and pay regulatory fees by May 1 of each year. Companies are responsible for complying with their legal obligations, and the Company should have been aware of the need to file an annual report, particularly given the Commission's reminders and the Company's past violation.

8 The Commission agrees with Staff's recommendation and denies the Company's request for mitigation. The Commission may consider a number of factors when entertaining a request for mitigation, including a company's history of compliance, whether the violation was promptly corrected, and the likelihood the violation will recur.<sup>1</sup> Ultimately, the Commission's goal is the Company's compliance with its regulatory obligations. Here, the Company received and paid a reduced penalty for a prior violation of WAC 480-110-505 in 2013. Although the Company has since filed its annual report, the violations are likely to recur absent an escalated penalty. Accordingly, the Commission finds the penalty amount to be a reasonable deterrent to overlooking future filing deadlines and requirements.

### **ORDER**

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

- 9 (1) The request of Crescent Bar, Inc. for mitigation of the \$1,000 penalty is DENIED.
- 10 (2) The penalty is due and payable no later than August 1, 2014.

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

- 11 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 July 18, 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.**