

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment Against KARST STAGE, INC. in the amount of \$1,000	DOCKET TE-160705 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 charter and excursion carriers. 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 Karst Stage, Inc. (Karst Stage or Company) filed an incomplete annual report on March 30, 2016, and did not make a complete filing by May 16. On June 20, the Commission assessed a penalty of \$1,000 against Karst Stage, calculated as \$100 per business day from May 2 to May 16.
- 3 On June 28, 2016, Karst Stage filed a complete annual report. On July 1, Karst Stage responded to the Commission's penalty assessment and requested mitigation based on the written information provided. In its response, the Company states, "I believe Karst Stage is being unduly punished for an infraction in our 2015 annual report for the following reasons. Our report was filed on time and received by your dept. on March 30th along with our regulatory fee. All spaces were filled out except the correct UBI # and our interstate mileage. Your office attempted to contact me by email to address the oversights, which I appreciate but your request went right into my junk mail and was deleted. If I would have received this email or even just a phone call I could have easily corrected the problem and avoided this \$1,000 fine."
- 4 On July 18, 2016, Commission staff (Staff) filed a response recommending the Commission grant the Company's request for mitigation because the Company attempted to file its annual report well before the deadline and has no prior violations of WAC 480-30-071.

DISCUSSION

- 5 WAC 480-30-071 requires charter and excursion carriers to file annual reports 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 ensured its report was complete when it was originally filed.
- 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, Karst Stage timely paid its regulatory fee, made a good faith effort to file its annual report by the due date, and has since corrected the violation by filing a complete report. In addition, this is the Company’s first violation of WAC 480-30-071 since it became regulated in 2014. In light of these factors, the Commission will exercise its discretion to grant full mitigation of the penalty.

ORDER

THE COMMISSION ORDERS:

- 7 (1) Karst Stage, Inc.’s request for mitigation of the \$1,000 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.