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WASH, UT. & TP. COMM

June 27, 2015



To: Steven V King, Executive Director and Secretary 1300 S Evergreen Park Dr. SW PO BOX 47250 Olympia, WA 47250

RE: TC-150980

Rocket Transportation respectfully submits the following comments regarding assessment of penalties.

The reasons submitted by UTC Staff for assessment of penalty are:

- 1. Rocket knows that the report must be filed and paid by May 1 of each year to avoid penalities and the instructions are clear
- 2. Rocket knew fuel reports were required
- 3. Rocket was late last year
- 4. The penalty being paid in full provides incentive to provide the report timely in the future

Rocket's responses:

- 1. The report is due May 1 of each year but if taxes aren't completed by the CPA until April 15, that gives only 15 days for the financial documentation to be gathered. As learned from this year's fare increase, until taxes are completed, the financial information is incomplete. Rushing the CPA to provide a Balance Sheet that the she says is non-standard in the short time frame appears unreasonable to me. Perhaps a standard P&L and Balance sheet as produced from QuickBooks would alleviate this problem.
- 2. After Pettit went out of business in January of 2014, Rocket has used many fuel providers to avoid a shutdown of services. Although we have details of costs, we do not have details of the gallons at each filling. Rocket settled on CFN and Pacific Pride

- accounts with SeaPort Petroleum in May 2014 but each company reports differently and the data the UTC requests is not easily gained. I paid the fees on time last year you guys said that if the fees were paid on time, penalties would not have been assessed. I can figure out how to get the data but it appears that you are more interested in assessing penalties than encouraging a company to work through unexpected hurdles.
- 3. The reason the report was late last year was due to the report being set aside during a location change leading me to think it had already been completed and mailed since it was only waiting for the CPA information that had been requested and the fuel information that was elusive as the rest of the report was completed as of April 15, 2014 ahead of time.
- 4. The penalty does not provide incentive to report on time. Rocket has reported on time each year in the past when the information was readily available. Another stressor this year was a rate increase filing that was intended to take effect April 1, 2015 and has been delayed to July 1, 2015 with many data requirements. There is not a lack of effort to comply by Rocket Transportation. I submitted the rate increase to be able to pay bills and operate effectively serving our customers. You tell me that we should be able to operate on what we already have. Yet our entire staff is underpaid and the company is leveraged to the max, where should I find additional revenue to hire additional staff to meet your reporting requirements? I have not cashed my paychecks for the last two months, have put my personal tax return into the business and put my insurance claim payment into the business to keep above water until the fare increase actually increases the revenue. The penalty just makes me rethink pulling out my money and letting the company die. Not one of my staff makes \$15.00 hour – not even me. Not one of my staff has health benefits unless they get them from their spouse or Apple Health. I will not let the company die without a fight. However, it would be rather encouraging to know that the UTC is helping rather than hurting.

The penalty payment has been enclosed. Please don't submit the check to the bank for processing until December 2015.

Sincerely,

Kathy Roman

Managing Partner

Rocket Transporation

360-697-6258 x700