

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment
Against

ACE RELOCATION SYSTEMS, INC.

in the amount of \$1,000

DOCKET TV-170504

ORDER 01

DENYING MITIGATION

BACKGROUND

- 1 On February 28, 2017, the Washington Utilities and Transportation Commission (Commission) mailed annual report and regulatory fee forms to all household goods carriers. The forms included a reminder that companies must file their annual reports and pay their regulatory fees by May 1, 2017, 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 Ace Relocation Systems, Inc. (Ace Relocation or Company) did not file an annual report on May 1, 2017, and had not made that filing by May 15. On June 30, 2017, the Commission assessed a penalty of \$1,000 against Ace Relocation, calculated as \$100 per business day from May 1 to May 15.
- 3 On July 5, 2017, Ace Relocation responded to the Commission's penalty assessment, admitting the violations and requesting mitigation based on the written information provided. In its response, the Company states, "... we never received the WA UTC Form and we have new update systems. Somehow, we missed it until we received your letter. Please note that in the last 10 years, we have never filed late."
- 4 On July 20, 2017, Commission staff (Staff) filed a response recommending the Commission assess a reduced penalty of \$500 in light of the Company's recent history of compliance.

DISCUSSION

- 5 WAC 480-15-480 requires household goods companies to file annual reports by May 1 of each year. Companies are responsible for complying with their legal obligations, and the Company should not rely on reminders from the Commission to ensure compliance.
- 6 We decline to adopt Staff's recommendation to assess a reduced penalty. The penalty assessment advised the Company that a request for mitigation will only be granted if the violations occurred due to circumstances beyond its control.¹ Ace Relocation's explanation for its late filing – that it did not receive an annual report form from the Commission – is expressly identified in the penalty assessment as an unacceptable basis for mitigation. Accordingly, we find that Ace Relocation failed to demonstrate that the violations occurred due to circumstances beyond its control, and conclude that its request for mitigation should be denied.
- 7 To reduce the financial impact of the penalty, the Company may work with Staff to establish mutually agreeable payment arrangements.

ORDER

THE COMMISSION ORDERS:

- 8 (1) Ace Relocation Systems, Inc.'s request for mitigation of the \$1,000 penalty is DENIED.
- 9 (2) Ace Relocation Systems, Inc. must either pay the \$1,000 penalty or file jointly with Staff a proposed payment arrangement no later than September 19, 2017.

¹ Those circumstances include, but are not limited to: death or serious illness of the person responsible for filing the report, or a member of that person's immediate family; destruction by fire or other casualty of the company's place of business or business records; or an act of fraud, embezzlement, theft, or conversion on the part of an employee. Circumstances that do not qualify as an acceptable basis for requesting mitigation include: financial hardship; a misunderstanding or lack of knowledge of Commission rules; failure to receive an annual report form from the Commission; mistakes or misconduct on the part of an employee; employee termination or turnover; personal events such as weddings or graduation ceremonies; and vacations or business trips.

- 10 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 September 5, 2017.

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.