BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of Determining the Proper Carrier Classification of and Complaint	DOCKET TE-250026
for Penalties Against	ORDER 02
HIGH SOCIETY TRANSPORTATION LLC	APPROVING SETTLEMENT AGREEMENT; CANCELING BRIEF ADJUDICATIVE PROCEEDING

BACKGROUND

- 1 Nature of Proceeding. The Washington Utilities and Transportation Commission (Commission) initiated this special proceeding to determine if High Society Transportation LLC (High Society or Company) has engaged, and continues to engage, in business as a common carrier for charter party or excursion carrier service, for compensation within the state of Washington without possessing the permit required for such operations.
- Procedural History. On February 7, 2025, the Commission entered Order 01, Order Instituting Special Proceeding; Complaint Seeking to Impose Penalties; and Notice of Mandatory Appearance at Hearing (Order 01), pursuant to RCW 81.04.510, initiating this docket on its own motion. The Complaint alleges that High Society Transportation LLC violated RCW 81.80.075(1) by:
 - (1) offering on at least five occasions to provide charter party or excursion services within the state of Washington; and
 - (2) advertising charter party or excursion services within the state of Washington on at least four occasions without the necessary permit required for such operations.

On the same date, the Commission issued a *Subpoena and Subpoena Duces Tecum For Production of Documents* (Subpoenas) to the Company commanding Brandon Russell, Company owner, to appear before the Commission at a special proceeding scheduled to convene virtually at 1:30 P.M. on March 26, 2025, via Zoom, and to bring the documents specified in the *Subpoenas*.

- 3 **Hearing Waiver.** On March 24, 2025, Brandon Russell filed with the Commission a signed hearing waiver indicating that the Company waives its right to a hearing in this matter and requests the Commission base its decision on the written documents submitted by the parties. The hearing was canceled by notice on March 25, 2025.
- Settlement Agreement. On March 26, 2025, Staff filed a settlement agreement
 (Settlement) on behalf of the parties that resolve all contested issues in this proceeding.¹
- 5 On March 28, 2025, a "Statement of Account noting payment of \$22,500, balance remaining \$2,500" was filed in this docket. While the account reflects that the Company did not issue the payment, the account has been credited \$22,500 from the original amount of \$25,000 – resulting in a remaining balance of \$2,500. The note of this credit refers to an "Order 1," which appears to be in error as Order 1 did not suspend a penalty.
- 6 **Appearances.** Kathyrn McPherson, Compliance Investigator Lacey, Washington, represents the Commission's regulatory staff (Commission Staff).² Brandon Russell, Cle Elum, Washington, represents the Company, *pro se*.

DISCUSSION

7 **Applicable Law.** In considering settlement agreements, the Commission "may approve the settlement, with or without conditions, or may reject it."³ The Commission must "determine whether they comply with applicable legal requirements and whether approval of the agreements is consistent with the public interest."⁴ The Commission may

¹ Please note that the partially signed document filed is not searchable as required by WAC 480-07-140(6)(a)(i).

² In adjudications the Commission's regulatory staff participates like any other party, while an administrative law judge or the Commissioners make the decision. To assure fairness, the Commissioners and the presiding administrative law judge do not discuss the merits of the proceeding with regulatory staff or any other party without giving notice and opportunity for all parties to participate. *See* RCW 34.05.455.

³ WAC 480-07-750(2).

⁴ WAC 480-07-740.

approve a settlement "if it is lawful, supported by an appropriate record, and consistent with the public interest in light of all the information available to the commission."⁵

- 8 The Settling Parties' Settlement, attached as Appendix A to and made part of this Initial Order by this reference, would fully resolve the issues pending in this docket.
- 9 Settlement. As part of the Settlement, High Society Transportation LLC admits that it has been operating as a charter party or excursion services carrier in the state of Washington without the required permit.⁶ The Company also admits that it offered to provide charter party or excursion services on at least five occasions and also advertised to provide charter party or excursion services on at least four occasions.
- 10 As part of the Settlement, High Society Transportation LLC has also agreed to permanently shut down and cease operations as a charter party or excursion services carrier, as defined by Chapter 480-30 WAC, until it obtains a permit from the Commission.
- 11 The parties agree that the Company will be assessed a \$25,000 penalty. The Commission has agreed to suspend \$22,500 of the penalty for a period of two years. In exchange, the Company pledges to remain out of the regulated industry, unless and until it obtains a permit from the Commission. If the Company fulfills its pledge, the Commission agrees that the suspended \$22,500 of the penalty will be waived.
- 12 The parties agree that the Company will pay the non-suspended \$2,500 portion of the penalty assessment according to the schedule set out in the Settlement (approximately six payments of \$417).
- 13 Decision. The Commission approves the Settlement without condition. The parties made concessions relative to their respective litigation positions to arrive at end results that are supported by the evidence in the record. High Society Transportation LLC admits that its conduct violated Commission statutes and rules and has further agreed to cease and desist all unpermitted operations unless and until it obtains a permit from the Commission. The Settlement supports the Commission's goal of compliance by permitting the Company to pay a reduced penalty of \$2,500, and suspending, then waiving, the \$22,500 remainder of the penalty conditioned on the Company complying with the terms of this Order and timely paying the remaining \$2,500 portion of the penalty.

⁵ WAC 480-07-750(2).

⁶ See RCW 81.70.220

14 The terms of the Settlement are not contrary to law or public policy and reasonably resolve all issues in this proceeding. Accordingly, we find that the Settlement Agreement is consistent with the public interest and should be approved as filed.

FINDINGS AND CONCLUSIONS

- (1) The Commission is an agency of the State of Washington vested by statute with authority to regulate persons engaged in the business of providing charter party or excursion services for compensation over public roads in Washington.
- 16 (2) The Commission has jurisdiction over the subject matter of this proceeding and over High Society Transportation LLC.
- 17 (3) High Society Transportation LLC waived its right to a hearing in this matter.
- 18 (4) The Settlement proposed by the parties is not complex and is unopposed.
- 19 (5) The Settlement is not contrary to law or public policy and it reasonably resolves all issues in this proceeding.
- 20 (6) The Settlement agreement is consistent with the public interest.
- (7) The Commission should approve the Settlement without condition and order the penalty amount, conditions, and other terms as proposed by the parties in the Settlement.

ORDER

THE COMMISSION ORDERS:

- 22 (1) The Settlement Agreement is approved without condition, is attached as Appendix A to, and incorporated into, this Order, and is adopted as the final resolution of all issues in this proceeding.
- 23 (2) High Society Transportation LLC is classified as a common carrier of charter party or excursion services within the state of Washington.

- (2) High Society Transportation LLC is ordered to immediately cease and desist operations as a charter party or excursion services carrier within the state of Washington without first obtaining the required permit from the Commission.
- (3) High Society Transportation LLC is assessed a penalty of \$25,000. A \$22,500 portion of the penalty is suspended for a period of two years from the effective date of this Order, and waived thereafter, provided that (1) High Society Transportation LLC refrains permanently from further operations as a charter party or excursion services carrier in the state of Washington without first obtaining the required permit from the Commission, and (2) High Society Transportation LLC timely pays the portion of the penalty that is not suspended. The portion of the penalty that is not suspended is due and payable subject to the payment schedule set forth in the Settlement Agreement.
- 26 (4) The Commission retains jurisdiction over the subject matter and the parties to this proceeding to effectuate the terms of this Order.

DATED at Lacey, Washington, and effective April 7, 2025.

/s/ Bijan Hughes BIJAN HUGHES Administrative Law Judge

NOTICE TO THE PARTIES

This is an Initial Order. The action proposed in this Initial Order is not yet effective. If you disagree with this Initial Order and want the Commission to consider your comments, you must take specific action within the time limits outlined below. If you agree with this Initial Order and you would like the Order to become final before the time limits expire, you may send a letter to the Commission waiving your right to petition for administrative review.

WAC 480-07-825(2) provides that any party to this proceeding has twenty (20) days after the entry of this initial order to file a petition for administrative review (Petition). Section (2)(b) of the rule identifies what you must include in any Petition as well as other requirements for a Petition. WAC 480-07-825(2)(c) states that any party may file a response to a Petition within 10 days after service of the Petition.

WAC 480-07-830 provides that before the Commission enters a final order any party may file a petition to reopen a contested proceeding to permit receipt of evidence essential to a decision, but unavailable and not reasonably discoverable with due diligence at the time of hearing, or for other good and sufficient cause. The Commission will give other parties in the proceeding an opportunity to respond to a motion to reopen the record, unless the Commission determines that it can rule on the motion without hearing from the other parties.

WAC 480-07-825(1) provides that an Initial Order will become final without further Commission action if no party seeks administrative review of the initial order and if the Commission fails to exercise administrative review on its own motion.

Any Petition or Response must be electronically filed through the Commission's web portal as required by WAC 480-07-140(5).

APPENDIX A