



Rob McKenna

ATTORNEY GENERAL OF WASHINGTON

Utilities and Transportation Division

1400 S Evergreen Park Drive SW • PO Box 40128 • Olympia WA 98504-0128 • (360) 664-1183

January 3, 2007

Richard Webb
Palouse River & Coulee City Railroad
315 West Third Street
Pittsburgh, Kansas 66762

RE: Penalty Assessment TR-060979

Dear Mr. Webb:

On June 30, 2006, the Washington Utilities and Transportation Commission (the Commission) issued a Notice of Penalties to Palouse River & Coulee City Railroad (Palouse) in the amount of \$100 for violation of Washington Administrative Code (WAC) 480-62-300. WAC 480-62-300 requires railroad companies to furnish annual reports and pay regulatory fees to the commission no later than May 1 each year. The penalty assessment required Palouse to either pay the penalty or ask for mitigation within 15 days. Your company did neither.

This letter serves as a final chance for you to respond. If you do not respond by January 17, 2007, you may incur additional penalties and the Commission may pursue its enforcement options in superior court.

If you have any questions about this letter or about the company's obligations under Commission rules, you may contact me at (360) 664-1186, or Sheri Hoyt, Compliance Specialist, Business Practices Investigations Section, by telephone at (360) 664-1149.

Sincerely,

Jennifer Cameron-Rulkowski
Assistant Attorney General

cc: Sheri Hoyt
Vicki Elliot

