

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Penalty Assessment ) DOCKET TS-060997  
Against STURGILL, RICHQARD C. )  
D/B/A THE SEMIAHMOO BAY FERRY ) ORDER 01  
SERVICE, in the Amount of \$100.00 )  
)  
) ORDER GRANTING  
) MITIGATION

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1 On June 30, 2006, the Washington Utilities and Transportation Commission (Commission) assessed a penalty in the amount of \$100 against Semiahmoo Bay Ferry Service (respondent) for one violation of WAC 480-51-100, which requires commercial ferry companies to file annual reports to the Commission no later than May 1 of each year.

2 On July 19, 2006, respondent filed a petition for mitigation and waived a hearing. The respondent stated that on May 29, 2003, it requested a one-year extension of its Water Transportation Permit No. BC 000122. According to Commission records, on October 29, 2003, the Commission granted an extension of time to commence passenger ferry service until April 1, 2004, under Docket TS-031056. The respondent stated its belief that its permit expired when the one-year extension expired. The respondent further stated that it believed it was not required to file an annual report because it didn't have operating authority. The respondent also asserted that it had not provided any passenger ferry service.

3 On August 3, 2006, Commission staff responded to the petition for mitigation. Staff asserted that because the respondent did not begin providing ferry service, its operating authority lapsed and the permit should have been canceled by the Commission. However, it was not and the respondent received a 2005 Annual Report packet from the Commission. On July 17, 2006, the respondent filed its annual report indicating that it did not provide any service in 2005.

- 4 On July 27, 2006, under Docket No. TS-06126, the respondent voluntarily requested that its commercial ferry authority be canceled and the permit was canceled the same day. Staff recommends that the penalty be fully mitigated because the respondent's annual report reflected no operations in 2005 and it voluntarily canceled its permit. Moreover, the Commission should have canceled the permit after its one-year extension lapsed in April 2004
- 5 The Commission grants the petition. It appears that the Commission should have canceled Semiahmoo Bay Ferry Service's permit in April 2004, well in advance of the 2005 Annual Report filing requirement. Due to an administrative oversight, this did not occur. Had the permit been timely canceled, Semiahmoo Bay Ferry Service would have been under no obligation to file a 2005 Annual Report. This, in fact, was the belief held by Semiahmoo Bay Ferry Service. While cancellation did not occur automatically, Semiahmoo Bay Ferry Service should not be penalized for the Commission's administrative oversight. Accordingly, the Commission concludes it should rescind the penalty assessment and fully mitigate the penalty assessed.
- 6 It is so ordered.

DATED at Olympia, Washington, and effective September 13, 2006.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN  
Executive Secretary

**NOTICE TO PARTIES: This is a final order of the Commission. In addition to judicial review, administrative relief may be available through a petition for reconsideration, filed within 10 days of the service of this order pursuant to RCW 34.05.470 and WAC 480-07-850, or a petition for rehearing pursuant to RCW 80.04.200 or RCW 81.04.200 and WAC 480-07-870.**