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Utilities and Transportation Division

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February 9, 2018

Steven V. King  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Drive S.W.  
P.O. Box 47250  
Olympia, WA 98504-7250

RE: *In re the Investigation of Puget Express, LLC For Compliance with WAC 480-30-221*  
Docket TE-170950  
*In re the Penalty Assessment Against Puget Express, LLC In the Amount of \$8,300*  
Docket TE-170951

Dear Mr. King:

On September 13, 2017, the Washington Utilities and Transportation Commission (Commission) issued to Puget Express, LLC (Puget Express) a Notice of Intent to Cancel Certificate as a Charter and Excursion Carrier (Notice); the Notice also set the matter for hearing as a brief adjudicative proceeding before Administrative Law Judge Rayne Pearson. The Notice, issued in Docket TE-170951, resulted from Staff's investigation into Puget Express's operations, which disclosed a number of violations of WAC 480-30-221, which concerns the safe operation of charter party and excursion carriers. The Commission, on that same day, in Docket TE-170950 issued to Puget Express a penalty assessment in the amount of \$8,300 for the safety violations underlying the Notice.

Following a hearing, ALJ Pearson issued Order 01, which canceled Puget Express's charter party and excursion carrier certificate and imposed \$8,200 in penalties on Puget Express. Order 01 suspended a \$5,200 portion of those penalties, subject to Puget Express's compliance with three conditions. Those conditions required Puget Express to (1) either maintain a conditional safety rating or cease and desist all charter party and excursion operations, (2) avoid repeat violations of WAC 480-30-221 for a period of two years, and (3) pay the \$3,000 portion of the penalty not suspended by the Commission within 10 days of Order 01's effective date, or establish an acceptable payment plan. Order 01 provided that a violation of any of those conditions would result in the suspended portion becoming due and payable without further Commission action. Order 01 became final when Puget Express failed to appeal it.

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In January 2018, Commission Staff (Staff) received reports that Puget Express was operating a 56-person passenger bus. Staff visited Puget Express's website and discovered that the company continues to advertise charter party and excursion service in violation of Order 01. Commission Staff then posed as a consumer and requested a quote to provide transportation for an 18-person group between the cities of SeaTac and Lake Stevens on March 18, 2018. Puget Express responded and quoted a price of \$65 per person. A copy of the email string is attached to this letter.

RCW 81.70.020(1) defines "charter party carrier" as any person "engaged in the transportation over any public highways of this state of a group of persons who, pursuant to a common purpose and under single contract, acquire the use of a motor vehicle to travel together as a group to a specified destination or for a particular itinerary, either agreed upon in advance or modified by the chartered group after leaving the place of origin." Under RCW 81.70.220, a person operates as a charter party carrier by providing charter party service, or by advertising or soliciting, offering, or entering into an agreement to provide such service.

By advertising and by quoting a price to provide charter party carrier service, Puget Express has operated as a charter party carrier in violation of Order 01. Staff recommends that the Commission impose the \$5,200 portion of the penalty imposed but suspended by Order 01.

Sincerely,

*/s/ Jeff Roberson, WSBA No. 45550*  
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