



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250

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December 7, 2017

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

RE: *Washington Utilities and Transportation Commission v. Pelican Point Water Company*

Commission Staff's Letter Reporting Non-Compliance UW-143980 and UW-150548
(Consolidated)

Dear Mr. King:

On September 9, 2015, the Utilities and Transportation Commission issued an order requiring Pelican Point Water Company to pay a \$34,000 penalty in dockets UW-143980 and UW-150548 for 1,360 violations of Washington Administrative Code (WAC 480-110-505), which requires water companies to furnish annual reports and the regulatory fee to the commission no later than May 1 each year.

Pelican Point Water Company had the option to have \$31,500 of the \$34,000 penalty suspended on the conditions that: (1) Pelican Point Water Company file its complete annual report and pay its required regulatory fees not later than May 1, 2016, for the 2015 reporting year, and no later than May 1, 2017, for the 2016 reporting year; and (2) pay the \$2,500 portion of the penalty that is not suspended within 10 days of the receipt of the Order.

After reviewing commission records, staff confirms on September 24, 2017, Pelican Point Water Company had paid the unsuspended \$2,500 portion of the penalty. However, Pelican Point Water Company failed to file its annual reports for 2015 and pay the requisite fees by May 1, 2016, nor by the first business day thereafter. Instead, the annual report was received on May 20, 2016, with penalty interest noted on the report form. The company received a \$1,000 penalty assessment (docket TR-UW-160532) for failing to file the annual report by due date. The company paid the \$1,000 penalty on June 20, 2016, and did not apply for mitigation, nor request a hearing.

Pelican Point Water Company also failed to file its annual reports for 2016 and pay the requisite fees by May 1, 2017. An incomplete annual report was received on June 27, 2017, with penalty interest noted on the report form. Commission staff reached out to the company via email and

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phone and advised the company that the annual report was incomplete. The company has not responded and the annual report remains incomplete.

The company received a \$1,000 penalty assessment (docket UW-170422) for failing to file the annual report by May 1. The company paid the \$1,000 penalty on July 7, 2017, and did not apply for mitigation, nor request a hearing.

As both conditions were unmet and the 2016 annual report remains incomplete, it is staff's recommendation that \$5,000 of the deferred \$31,500 penalty be imposed. The remaining balance of \$26,500 should be suspended on the following conditions: the company files its complete annual report and pays its required regulatory fees no later than May 1, 2018, for the 2017 reporting year, and, for the 2018 reporting year, no later than May 1, 2019.

If you have any questions regarding this recommendation, please contact Benjamin Sharbono, Regulatory Analyst, at (360) 664-1228, or benjamin.sharbono@utc.wa.gov.

Sincerely,

/s/ Benjamin Sharbono

Benjamin Sharbono, Regulatory Analyst
Regulatory Services, Annual Reports