

STATE OF WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION 1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250 (360) 664-1160 • www.utc.wa.gov February 14, 2018

NOTICE OF OPPORTUNITY TO RESPOND AND NOTICE OF OPPORTUNITY TO REQUEST A HEARING (by February 23, 2018, at 5 p.m.)

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

TO ALL PARTIES:

On September 13, 2017, the Washington Utilities and Transportation Commission (Commission) issued a Notice of Intent to Cancel Certificate as a Charter and Excursion Carrier; Notice of Brief Adjudicative Proceeding; Setting Time for Oral Statements in the Matter of the Investigation of Puget Express, LLC (Puget Express or Company) For Compliance with WAC 480-30-221 in Docket TE-170951. Also on September 13, 2017, the Commission assessed a penalty of \$8,300 in Docket TE-170950 against Puget Express for 83 acute and critical violations of Washington Administrative Code 480-30-221.

On October 18, 2017, the Commission convened a brief adjudicative proceeding to address the issues in both dockets. On October 27, 2017, the Commission entered Order 01, which cancelled Puget Express's charter party and excursion carrier certificate and imposed \$8,200 in penalties. Order 01 suspended a \$5,200 portion of the penalty subject to the following conditions: (1) Puget Express must either maintain a conditional safety rating or cease and desist all charter party and excursion operations, (2) Puget Express must pay the \$3,000 portion of the penalty that was not suspended within 10 days of the effective date of Order 01.

On February 9, 2018, Commission staff (Staff) filed with the Commission a letter alleging that Puget Express continues to advertise charter party and excursion service in violation of Order 01. Staff further alleges that Puget Express continues to offer to transport passengers in

violation of Order 01. Staff recommends that the \$5,200 suspended penalty be imposed in full for failing to comply with all of the conditions in Order 01.

On February 9, 2018, Puget Express sent an email responding to the allegations in Staff's letter. Because the Company submitted its response the same day Staff's letter was served, the Commission did not have an opportunity to notify the Company that it may request a hearing to contest Staff's allegations. Accordingly, the Company may now submit an additional response requesting a hearing, which must include a written statement of the reasons supporting that request. The Commission will conduct a hearing only if the Company identifies genuine issues of material fact that need to be resolved in an evidentiary hearing. If Puget Express does not file an additional response, the Commission will rely on Staff's letter and the Company's February 9, 2018, written response to make its decision.

THE COMMISSION GIVES NOTICE That Puget Express, LLC must file any request for hearing and supporting explanation in response to Staff's letter of February 9, 2018, by 5 p.m. on Tuesday, February 20, 2018.

GREGORY J. KOPTA Director, Administrative Law Division