

SERVICE DATE

JUN 20 2016

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

NOTICE OF PENALTIES INCURRED AND DUE
FOR VIOLATIONS OF LAWS AND RULES

PENALTY ASSESSMENT: TE-160685
PENALTY AMOUNT: \$1000

Beach Transportation Company
825 Mount Ave.
Missoula, MT 59801

According to Washington Utilities and Transportation Commission (Commission) records, you have violated Washington Administrative Code (WAC) 480-30-071 and 480-30-076, which requires charter & excursion carriers companies to file their annual report and pay regulatory fees each year by May 1. May 1 was a Sunday, therefore you were required to file your annual report or pay regulatory fees by May 2, 2016. You did not file an annual report by May 2, 2016.

Revised Code of Washington (RCW) 81.04.405 authorizes the Commission to assess a penalty of \$100 for each violation of a Commission rule. In the case of a continuing violation, every day's continuance is a separate and distinct violation. The Commission interprets noncompliance with WAC 480-30-071 and 480-30-076 beyond May 2 as a continuing violation, and assesses penalties of \$100 for each day a company fails to file its report or pay its regulatory fees after that date.

As a result, the Commission has assessed penalties against you in the amount of \$1000 on the following basis:

On February 29, 2016, the Commission mailed the 2015 annual report forms and the 2016 regulatory fee packets to all charter & excursion carriers companies registered in Washington. The instructions page for the annual report form instructed these companies to file annual reports and pay regulatory fees by May 2, 2016. The instructions page also stated that failure to file the annual report by May 2 would result in penalties. The deadline for requesting an extension to file your annual report was April 15. You did not request an extension.

As of May 16, 2016, Beach Transportation Company had not filed its 2015 annual report or paid its 2016 regulatory fee. May 16 is ten business days from May 2, resulting in a total penalty of \$1,000. The Commission has yet to receive a complete and accurate annual report and additional penalties may accrue until you submit one.

Your penalty is due and payable now. If you believe the violation did not occur, you may request a hearing to contest the penalty assessment. The Commission will grant that request only if material issues of law or fact require consideration of evidence and resolution in a hearing. A request for a hearing must include a written statement of the

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reasons supporting that request. Failure to provide such a statement will result in denial of the request.

If there is a reason for the violation that you think should excuse or reduce the penalty, you may ask for mitigation (reduction) of this penalty through evidence presented at a hearing or in writing. The Commission will grant a request for a hearing only if material issues of law or fact require consideration of evidence and resolution in a hearing. Any request for mitigation must include a written statement of the reasons supporting that request. Failure to provide such a statement will result in denial of the request. See RCW 81.04.405.

If you properly present your request for a hearing and the Commission grants that request, the Commission will review the evidence supporting your dispute of the violation or application for mitigation in a Brief Adjudicative Proceeding, before an administrative law judge. The administrative law judge will consider the evidence and will notify you of his or her decision.

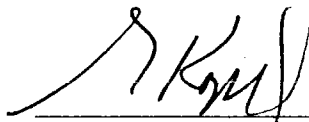
You must act within 15 days after receiving this notice to do one of the following:

- Pay the amount due.
- Request a hearing to contest the occurrence of the violations.
- Request mitigation to contest the amount of the penalty.

Please indicate your selection on the enclosed form and send it to the Washington Utilities and Transportation Commission, Post Office Box 47250, Olympia, Washington 98504-7250, **within FIFTEEN (15) days** after you receive this notice.

If you do not act within 15 days, the Commission may refer this matter to the Office of the Attorney General for collection, which may file suit in state court to collect the penalty. The Commission may also initiate proceedings under WAC 480-30-171 to revoke your authority to provide charter & excursion services in Washington.

DATED at Olympia, Washington, and effective June 20, 2016.



GREGORY J. KOPTA
Administrative Law Judge

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

PENALTY ASSESSMENT TE-160685

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PLEASE NOTE: You must complete and sign this document, and send it to the Commission within 15 days after you receive the penalty assessment. Use additional paper if needed.

I have read and understand RCW 9A.72.020 (printed below), which states that making false statements under oath is a class B felony. I am over the age of 18, am competent to testify to matters set forth below and I have personal knowledge of those matters. I hereby make, under oath, the following statements.

1. **Payment of penalty.** I admit that the violations occurred. I have:

Enclosed \$ _____ in payment of the penalty

Submitted my payment of \$ _____ online at www.utc.wa.gov. My confirmation number is _____.

2. **Request for a hearing.** I believe that one or more of the alleged violations did not occur, for the reasons I describe below, and I request a hearing based on those reasons for a decision by an administrative law judge:

SEE ATTACHED LETTER DATED 6/28/16

3. **Application for mitigation.** I admit the violations, but I believe that the penalty should be reduced for the reasons set out below:

a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision

OR

b) I ask for a Commission decision based solely on the information I provide above.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing, including information I have presented on any attachments, is true and correct.

Dated: 6/28/16 [month/day/year], at MISSOULA, MT [city, state]

BEALTE TRANSPORTATION CO.
Name of Respondent (company) – please print

[Signature]
Signature of Applicant

RCW 9A.72.020:

“Perjury in the first degree. (1) A person is guilty of perjury in the first degree if in any official proceeding he makes a materially false statement which he knows to be false under an oath required or authorized by law. (2) Knowledge of the materiality of the statement is not an element of this crime, and the actor’s mistaken belief that his statement was not material is not a defense to a prosecution under this section. (3) Perjury in the first degree is a class B felony.”



825 Mount Avenue
Missoula, Montana 59801
Phone: (406) 549-6121
Fax: (406) 549-5445
Web: www.beachtrans.com

June 28, 2016

Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Dear Judge Kopkta,

I was surprised to receive notice of penalty in a letter dated June 20, 2016, and request that assessment TE-160685 in the amount of \$1,000 be waived for the following reasons. As a motor coach carrier based in Montana, I was unaware of the need to continuously file reports with the WUTC when no regulated service was performed and no revenue was generated.


Beach Transportation is a family owned school bus and motor coach company based in Missoula, Montana. Due to severe equipment and driver shortage in Washington State, we were called into service to help transport people for the PGA West Golf tournament in June of 2015. (And as a side note, I might add that PGA West was very pleased with having the event in the Tacoma area, due in no small part to the smooth logistical services that were provided.)

Initially, I assumed that the PGA service was an interstate move and therefore not regulated by Washington State. (And believe that there still remains a question as to whether the transportation services were intra or interstate regulated.) After the fact, I was told by the Washington Department of Revenue that I needed to pay a tax and that I would then be in compliance with all Washington State regulations. At a late date, WUTC than registered us and I dutifully paid the filing fee, thinking that was the end of the requirement.

In conclusion, we have not performed any services in Washington State since the PGA tournament and don't plan doing so in the future. In talking to Mr. Sean Bennett of the WUTC, because I have performed no services since 2015, he suggested that I file a *Release of Authority for Cancellation* form, which I have done. (See attached.)

For these reasons, I request that penalty be waived and my Cancellation Notice be approved.

Sincerely,


Greg D. Beach
Vice President

RELEASE OF AUTHORITY FOR CANCELLATION

TO: Washington Utilities and Transportation Commission
Licensing Services
P.O. Box 47250
Olympia, WA 98504-7250
(360) 664-1222 or fax @ (360) 586-1181

The undersigned, holder of Permit/certificate number(s):
G _____ C _____ CH/ES 065932
CC _____ HG _____ TCC _____
OTHER _____

Does hereby declare that the authority is no longer being used and is hereby surrendered to the Commission for cancellation. (Attach original permit or certificate, if available)



Vice President

6/28/16

SIGNATURE OF CARRIER

DATE

Beach Transportation Co.

NAME OF CARRIER (Please print)

825 Mount Ave.
ADDRESS

Missoula, MT 59801
CITY-STATE-ZIP

(406) 549-6121
(AREA CODE) - PHONE NUMBER