

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE ADVENTURES INC.;
CASCADE ADVENTURES BAKER BUS,
LLC; BAKER BUS SKI AND
SNOWBOARD CLUB

Respondent.

DOCKET TE-190086

JOINT NARRATIVE SUPPORTING
SETTLEMENT AGREEMENT

I. INTRODUCTION

1 This Joint Narrative Supporting Settlement Agreement (Narrative) is filed with the Utilities and Transportation Commission (Commission) pursuant to Washington Administrative Code (WAC) 480-07-740(3)(a) on behalf of Cascade Adventures Inc.; Cascade Adventures Baker Bus, LLC; and Baker Bus Ski and Snowboard Club (Baker Bus or Company), and Commission Staff (Staff) (collectively, “the Parties”).¹ The Parties have signed the settlement agreement (Agreement), which is being filed concurrently with this Narrative. This Narrative summarizes the Agreement. It is not intended to modify any terms of the Agreement.

II. PROPOSAL FOR REVIEW PROCEDURE

2 In accordance with WAC 480-07-740, the Parties propose the following settlement consideration procedure for review of the proposed Agreement. The Parties believe that this matter is a less complex matter under WAC 480-07-740(2)(b). Accordingly, the Parties

¹ For clarity, references in the Settlement to “Baker Bus” or “Company” should be interpreted as referring to the non-profit “Baker Bus Ski and Snowboard Club,” unless otherwise noted.

submit that conducting a hearing will not assist the Commission to decide whether to approve and adopt the settlement because of the limited scope of the issues and Baker Bus' cooperation with Staff. *See* WAC 480-07-740(2)(e).

3 If the Commission conducts a hearing, however, the Parties will present one or more witnesses to testify in support of the Agreement and to answer questions concerning the Agreement's details, costs, and benefits. *See* WAC 480-07-740(3)(b). In addition, each party will be available to address any legal matters associated with the Agreement. If the Commission requires supporting documents beyond the Agreement and Narrative, and the other documents on file in this docket, the Parties will provide documentation as needed.

III. APPLICABLE LAW

4 The Commission has jurisdiction over this matter pursuant to RCW 80.01.040, 80.01.060, RCW 81.01.010, RCW 81.70.220, RCW 81.70.260, RCW 81.70.270, and Chapter 480-30 WAC.

5 RCW 81.70.020 defines a "charter party carrier" in part as "every person engaged in the transportation over any public highways in this state of a group of persons, who, pursuant to a common purpose and under a 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."

6 RCW 81.70.220(1) provides that "[n]o person may engage in the business of a charter party carrier or excursion service carrier of passengers over any public highway without first having obtained a certificate from the commission to do so or having registered as an interstate carrier. For the purposes of this section, "engage in the business of a charter party carrier or excursion service carrier" includes advertising or soliciting, offering, or entering

into an agreement to provide such service. Each advertisement reproduced, broadcast, or displayed via a particular medium constitutes a separate violation under this chapter.”

7 RCW 81.70.220(2) further states “[a]ny person who engages in the business of a charter party carrier or excursion service carrier in violation of subsection (1) of this section is subject to a penalty of up to five thousand dollars per violation.”

8 RCW 81.70.270 states “It is the duty of the commission to regulate charter party carriers and excursion service carriers with respect to safety of equipment, driver qualifications, and safety of operations. The commission shall establish such rules and regulations and require such reports as are necessary to carry out the provisions of this chapter.”

IV. SCOPE OF THE UNDERLYING DISPUTE

9 In February 2021, Staff initiated an investigation into whether Baker Bus was in compliance with Order 02 in this Docket. Based on its investigation, Staff initially found that Baker Bus was not operating in compliance with Order 02 because it was operating as a charter excursion carrier without authority from the Commission and recommended that the Commission impose \$8,500 in suspended penalties.

10 The Parties initiated an adjudication before the Commission and engaged in further discovery. Through discovery, Baker Bus provided documents to Staff indicating that it was operating as a non-profit company under the name “Baker Bus Ski and Snowboard Club,” as opposed to the for-profit company “Cascade Adventures Baker Bus,” which had been previously regulated by the Commission.²

² See, *In re Classification of Cascade Adventures Inc.; Cascade Adventures Baker Bus*, Docket TE-190086, Order 02 (March 12, 2019).

11 On July 8, 2021, the Parties reached a settlement in principle that resolved all of the issues presented in Staff’s complaint. Staff contacted the presiding officer on behalf of the Parties to request a suspension of the procedural schedule while the Parties worked to finalize the Agreement.

12 On August 3, 2021, the Parties finalized and signed the Agreement. The Agreement contains the complete terms of the Parties’ settlement.

V. DESCRIPTION OF SETTLEMENT AGREEMENT

13 The Agreement resolves all of the issues in dispute. The Parties agree to the following terms set forth in the Agreement:

- Admission – Baker Bus admits that it engaged in the business of a charter party carrier or excursion service carrier without having obtained authority from the Commission to do so in violation of RCW 81.70.220(1) on two occasions by advertising charter excursion service and providing charter excursion service during the timeframe alleged in Staff’s Motion to Impose Suspended Penalties³;
- Classification – Baker Bus admits that it is operating as a charter excursion carrier subject to the jurisdiction of the Commission;
- Penalty – Baker Bus will pay a penalty of \$1,000 on a payment plan that is agreeable to all the Parties. Because of the ongoing health concerns presented by COVID-19 and given the seasonal nature of Baker Bus’ operations, no payment under the plan will be due and payable before December 01, 2021. If the Parties cannot agree on the terms of a payment plan, they will petition the Commission to set reasonable terms for such a plan;

³ After discussion, Staff has agreed to withdraw its original request that the \$8,500 suspended penalty be imposed, based on the Company’s lack of bad faith in reorganizing and cooperation with Staff.

- Suspended Penalty – Baker Bus will accept the imposition of a \$9,000 suspended penalty. The Commission shall waive the suspended penalty after a period of two years from the effective date of this agreement, provided that Baker Bus does not operate as a charter excursion carrier without authority from the Commission.

VI. STATEMENT OF IMPACT ON THE PUBLIC INTEREST

14 The Parties find it is in their best interests to avoid the expense, inconvenience, uncertainty, and delay inherent in a litigated outcome. Likewise, it is in the public interest that this dispute conclude without the further expenditure of public resources or litigation expenses.

15 In accordance with WAC 480-07-740-750, the Parties believe the Agreement is in the public interest and appropriate for the Commission’s acceptance without conditions under WAC 480-07-750(2)(a) for three reasons. First, the compliance and tariff provisions should remedy should prevent several of the violations identified in the Commission’s complaint from reoccurring. Second, the suspended penalty component will create an incentive for the Company to avoid repeat violations during the suspension period. Third, a reduced penalty is appropriate and reasonable given the Company’s cooperation with Staff in resolving the issues identified in the Commission’s complaint.

16 The Commission has formally expressed its support for negotiated resolutions of enforcement actions. The rule states, “The commission supports parties’ informal efforts to resolve disputes without the need for contested hearings when doing so is lawful and consistent with the public interest” WAC 480-07-700. For the reasons stated above, the Parties contend that their Agreement is lawful and consistent with the public interest.

VII. CONCLUSION

17 The Agreement resolves all of the issues in this docket and the Parties submit that their resolution complies with applicable legal requirements and is consistent with the public interest. The Parties respectfully request that the Commission issue an order approving the Agreement in its entirety.

DATED this 3rd day of August, 2021.

CASCADE ADVENTURES INC.;
CASCADE ADVENTURES BAKER
BUS, LLC; BAKER BUS SKI AND
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WASHINGTON UTILITIES AND
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