June 10, 2015

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. Hat Island Community Association*

 Commission Staff’s Response to Application for Mitigation of Penalties TS-150963

Dear Mr. King:

On May 21, 2015, the Utilities and Transportation Commission issued a $1,000 Penalty Assessment in Docket TS-150963 against Hat Island Community Association for 10 violations of Washington Administrative Code (WAC 480-51-100), which requires commercial ferry companies to furnish annual reports to the commission no later than May 1 each year.

On June 1, 2015, Hat Island Community Association wrote the commission requesting mitigation of penalties. In its mitigation request, Hat Island Community Association does not dispute the violation occurred. The company states, “We request relief from the assessed penalty based upon the hardship created by the turnover in staff and the resulting time constraints. The report is in the process of being completed and will follow this letter within two days”.

It is the company’s responsibility to ensure that the regulatory fee is paid and the annual report is filed by the May 1 deadline. On February 27, 2015, Annual Report packets were mailed to all regulated commercial ferry companies. The instructions for annual report completion page of the annual report informed the regulated company that it must complete the annual report form, pay the regulatory fees, and return the materials by May 1, 2015, to avoid enforcement action.

On June 9, 2015, Hat Island Community Association filed the 2014 annual report or paid the required regulatory fees and late payment penalty. The company has been active since 2008. No prior violations of WAC 480-51-100 are on commission record. Staff supports the

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company’s request for mitigation as this is the company’s first delinquent filing. Staff recommends a reduced penalty of $25 per day resulting in a total penalty assessment of $250.

If you have any questions regarding this recommendation, please contact Amy Andrews, Regulatory Analyst, at (360) 664-1157, or aandrews@utc.wa.gov.

Sincerely,

Sondra Walsh, Director

Administrative Services