



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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July 18, 2016

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. Kezele Rentals, LLC*

Commission Staff's Response to Request for Hearing TE-160706

Dear Mr. King:

On June 21, 2016, the Utilities and Transportation Commission issued a \$1,000 Penalty Assessment in Docket TE-160706 against Kezele Rentals, LLC for 10 violations of Washington Administrative Code (WAC 480-30-071 and 480-30-076), which requires charter and excursion companies to furnish annual reports, supporting documentation and the regulatory fee to the commission no later than May 1 each year, or in this case, May 2 as May 1 was a Sunday.

On July 1, 2016, Kezele Rentals, LLC wrote the commission requesting a hearing disputing the violation occurred. In its hearing request, the company states, "...I received the violation statement in the mail on June 26, 2016. I immediately contacted UTC Shawn Bennett explaining that my annual form and check payment was sent when requested in March 2016. I explained I have copies of the form and check that was sent along with a manager as witness to confirm this was completed and mailed in. I've provided a copy of the annual form along with my request for a hearing. This vehicle was used once as donation/charity and once for a wedding, this charter was donated time by the owner. I will issue another \$25 check if my original was not processed and cancel the original check."

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, or in this case, May 2 as May 1 was a Sunday. On February 29, 2016, Annual Report packets were mailed to all regulated charter and excursion companies. The instructions page informs the regulated company that it must complete the annual report form and pay the regulatory fees, and return the materials by May 2, 2016, to avoid enforcement action.

On July 1, 2016 the commission received the annual report and the regulatory fee was paid shortly thereafter. Kezele Rentals, LLC provided a copy of the annual report and check. Both were dated around March 15.

Staff does not support the company's request for hearing as commission staff did not receive an annual report prior to the May 2 deadline and it is the company's responsibility to file a complete and accurate annual report. Kezele Rentals, LLC became active in 2015 and has no prior violations of WAC 480-30-071 and 480-30-076. This is the company's first delinquent filing and the charter vehicle is rarely used, when it is, it is typically donated for special events in the community. Staff recommends the penalty be waived.

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

Sincerely,



Sondra Walsh, Director
Administrative Services