

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

MARIA K. LINDBERG,

Respondent.

DOCKET UW-101818

NARRATIVE SUPPORTING
SETTLEMENT AGREEMENT

I. INTRODUCTION

1 This Narrative Supporting Settlement Agreement (Narrative) is filed pursuant to
WAC 480-07-740(2)(a) on behalf of Maria K. Lindberg (Ms. Lindberg) and Staff of the
Utilities and Transportation Commission (Staff) (collectively, “the Parties”). Both parties
have signed the Settlement Agreement (Agreement), which is attached to this Narrative.
This Narrative summarizes the Agreement. It is not intended to modify any terms of the
Agreement.

II. PROPOSALS FOR REVIEW PROCEDURE

2 The Parties submit that this matter is considerably less complex than a general rate
proceeding and request that review proceed on a timetable for less complex matters, as
provided in WAC 480-07-740(1)(b). To the knowledge of either party, there are no
opponents of the settlement. Because of the less complex nature of the matter and the
uncontested status of the settlement, the Parties suggest that a formal settlement hearing
along with the opportunity for public comment are unnecessary in this case.

3 The Parties do not intend to file documentation supporting the Agreement, with the
exception of the Agreement itself and this Narrative. If the Commission requires supporting

documents beyond the Agreement, Narrative, and the other documents on file in this docket, the Parties will provide documentation as reasonably needed.

4 In keeping with WAC 480-07-740(2)(b), the Parties are prepared to present one or more witnesses each to testify in support of the proposal, and answer questions concerning the settlement agreement's details and its costs and benefits, should such testimony be required. In addition, both Staff and Company counsel are available to respond to any questions that the Commission may have regarding the proposed settlement.

5 The Parties request a streamlined review of the proposed settlement. To that end, the Parties would prefer an informal review on a paper record. In accordance with WAC 480-07-730, the Parties propose the foregoing procedural alternatives for review of the proposed Agreement.

III. SCOPE OF THE UNDERLYING DISPUTE

6 The underlying dispute concerns a Complaint issued by the Commission against Ms. Lindberg on April 8, 2011, at the request of the Commission Staff. In 2011, Staff conducted a formal investigation of the business practices of Cristalina LLC water company, with the intention of determining whether Ms. Lindberg was in compliance with Commission statutes and rules. In March 2011, Staff completed an Investigation Report that contained, among other things, its findings that, as an officer and agent of Cristalina LLC, Ms. Lindberg violated several statutes and rules enforced by the Commission.¹

7 The Parties commenced settlement negotiations and subsequently agreed to a resolution of all issues raised by the investigation and Complaint filed in this docket.

¹ See Staff Investigation Report of Cristalina LLC, dated March 2011, in Docket UW-101818.

IV. SUMMARY OF PROPOSED SETTLEMENT

8 The settlement resolves all of the issues in dispute. Ms. Lindberg admits that she violated RCW 80.28.080 (failure to charge tariffed rate), RCW 80.28.100 (engaging in rate discrimination), RCW 80.04.380 (failure to comply with commission order), and WAC 480-110-375 (inadequate form of bills). Ms. Lindberg agrees to pay a penalty of \$2000 in \$200 increments over a period of ten months. Ms. Lindberg agrees to a suspended penalty of \$8,000, which will be waived after Ms. Lindberg files a general rate case by September 15, 2011, in compliance with WAC 480-07-530. The Parties further agree that Ms. Lindberg will continue to report well-head and customer water usage data to the Commission on a monthly basis until one year from the date metered rates go into effect.

9 Finally, the Commission is not precluded from pursuing penalties for violations of Commission statutes and rules unrelated to the subject matter of this Agreement, or for violations of the statutes and rules stated therein, subsequent to the Agreement.

V. STATEMENT OF PARTIES' INTERESTS AND THE PUBLIC INTEREST

10 As stated in the Agreement, the settlement represents a compromise of the positions of the two parties. The Parties find it is in their best interests to avoid the expense, inconvenience, uncertainty, and delay inherent in a litigated outcome. It is in the public interest that this dispute conclude without further expenditure of public resources on litigation. Likewise, it is in the public interest that the Agreement includes Ms. Lindberg's admission that she violated Commission statutes and rules, as well as her agreement to pay a penalty for those violations. It is also in the public interest that the Agreement does not limit the Commission's enforcement abilities with respect to future violations, or violations of Commission statutes and rules unrelated to the subject matter of the docket.

11 For the above reasons, the Agreement is in the public interest. The Parties
recommend that the Commission approve the Agreement in its entirety.

VI. LEGAL POINTS THAT BEAR ON PROPOSED SETTLEMENT

12 In WAC 480-07-700, the Commission expresses its support for parties' informal
efforts to resolve disputes without the need for contested hearings when doing so is lawful
and consistent with the public interest. The Parties have resolved all of the issues in dispute
between them, and their resolution complies with Commission rules and, as explained
above, is consistent with the public interest.

VII. CONCLUSION

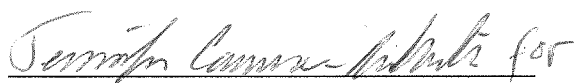
13 Because the Parties have negotiated a compromise on all of the issues in this dispute,
and because the settlement is in the public interest, both parties request that the Commission
approve the attached Settlement Agreement.

Respectfully submitted,

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

MARIA K. LINDBERG

ROBERT M. MCKENNA
Attorney General


SALLY BROWN
Senior Assistant Attorney General
Counsel for the Washington Utilities and
Transportation Commission Staff

MARIA K. LINDBERG

Dated: August 10, 2011

Dated: _____, 2011

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Respectfully submitted,

WASHINGTON UTILITIES AND
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MARIA K. LINDBERG

ROBERT M. MCKENNA
Attorney General

SALLY BROWN
Senior Assistant Attorney General
Counsel for the Washington Utilities and
Transportation Commission Staff



MARIA K. LINDBERG

Dated: _____, 2011

Dated: 8/8, 2011