

UT-990146

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STATE OF WASH.
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SUPERIOR COURT OF WASHINGTON FOR THURSTON COUNTY

State of Washington, Utilities and Transportation Commission,
Plaintiffs,
v.
1-800-RECONEX, Inc.,
Defendants.

CASE NO. 03-2-01095-0
SETTLEMENT AGREEMENT

This is a Settlement Agreement (Agreement) entered into by all parties to this proceeding to resolve all issues in the above docket.

I. PARTIES

1.1 The parties to this Agreement are plaintiff, State of Washington, Washington Utilities and Transportation Commission (Commission) and defendant, 1-800-RECONEX, collectively referred to as "the Parties."

II. BACKGROUND

2.1 In July 1999, the Commission initiated a proceeding against 1-800-RECONEX alleging 13 claims for relief. See Petition to Enforce Administrative Order (Petition), Exhibit C. That proceeding was Commission Docket No. UT-990946. The Parties entered into a Stipulation for Settlement and for Entry of an Agreed Final Order (Stipulation). See Petition,

1 Exhibit D. The Commission approved the Parties' Stipulation. *See* Petition, Exhibit E, Exhibit
2 F. The Stipulation required 1-800-RECONEX to spend a minimum of \$121,000 on a customer
3 education program approved by Commission Staff. If 1-800-RECONEX failed to spend
4 \$121,000 on customer education programs, the company would be required to pay \$121,000
5 into the public service revolving fund. The Stipulation also suspended \$45,000 of penalties
6 contingent on compliance with benchmarks set forth in the Stipulation. *See* Petition, Exhibit
7 D.
8

9 2.2 The Commission issued a Supplemental Order to Show Cause Why Payments
10 Should Not Be Required in February 2001. *See* Petition, Exhibit G. On September 19, 2001,
11 the Commission issued an Order Enforcing Settlement Agreement (Commission Order)
12 directing 1-800-RECONEX to pay \$121,000 into the public service revolving fund for failure
13 to comply with the Stipulation. The Commission also ordered 1-800-RECONEX to pay the
14 amount suspended, \$45,000, into the public service revolving fund. The total amount,
15 \$166,000 was due on or before the 30th day after entry of the Commission Order. *See* Petition,
16 Exhibit A. 1-800-RECONEX failed to pay the amount due. *See* Petition.
17

18 2.3 On June 5, 2003, the Commission filed with Thurston County Superior Court a
19 Petition to Enforce Administrative Order (Petition) seeking enforcement of the Commission
20 Order Enforcing Settlement Agreement.
21

22 III. AGREEMENT

23 3.1 The Parties have reached a voluntary agreement on the issues in the above
24 docket without Superior Court hearing or adjudication of any issues of fact or law to avoid the
25 expense, inconvenience, delay, and uncertainty of litigation.
26

1 4.4 This Agreement shall not be construed against either party because it was a
2 drafter of the Agreement.

3 4.5 The Parties have negotiated this Agreement as an integrated document to be
4 effective upon execution. This Agreement supersedes all prior oral and written agreements on
5 issues addressed herein.
6

7 4.6 The Parties may execute this Agreement in counterparts and as executed shall
8 constitute one agreement. Copies sent by facsimile are effective as original documents.

9 4.7 The Parties shall take all actions necessary and appropriate to carry out this
10 Agreement.


11 4.8 Upon execution of the Agreement, attorneys for the Parties will draft a Notice
12 of Settlement and Stipulated Order and Judgment of Dismissal to be filed with Thurston
13 County Superior Court. Dismissal shall be with prejudice and without costs to any party.
14 Upon payment by 1-800-RECONEX, the Notice of Settlement and Stipulated Order and
15 Judgment of Dismissal will be filed with the Court for entry.
16
17

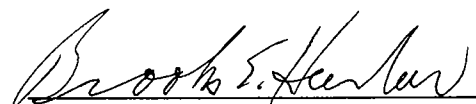
18 WASHINGTON UTILITIES AND
19 TRANSPORTATION COMMISSION

1-800-RECONEX, INC.

20 CHRISTINE O. GREGOIRE
21 Attorney General

MILLER NASH, LLP

22 
23 _____
24 LISA WATSON
25 Assistant Attorney General
26 Counsel for the Commission
WSBA No. 31549
Date signed: 8/4/03



BROOKS E. HARLOW
Counsel for 1-800-RECONEX
WSBA No. 11843
Date signed: 8/1/03