

JUN 19 1992

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION,)	
)	
Complainant,)	DOCKET NO. UG-920487
)	
vs.)	FIRST SUPPLEMENTAL ORDER
)	ACCEPTING SETTLEMENT AND
WASHINGTON NATURAL GAS COMPANY,)	OPERATING AGREEMENT
)	
Respondent.)	
.....)	

PROCEEDINGS: On May 1, 1992, the Washington Utilities and Transportation Commission served the respondent with a Complaint and Order to Show Cause Why Penalties Should Not Be Assessed and Why Corrective Action Should Not Be Ordered. The order alleged violations of various state and federal laws and regulations dealing with gas safety.

HEARINGS: A hearing was held in this matter at Olympia, Washington, on June 12, 1992, before Chairman Sharon L. Nelson, Commissioner A. J. Pardini and Administrative Law Judge Lisa A. Anderl of the Office of Administrative Hearings. At the hearing, the Washington Utilities and Transportation Commission was represented by Robert D. Cedarbaum, assistant attorney general, Olympia, Washington; Washington Natural Gas Company was represented by Robert J. Tomlinson, senior vice president, legal and administration.

PROPOSED SETTLEMENT: On June 8, 1992, the Commission received a Settlement and Operating Agreement, signed by the parties, which proposed to resolve the issues raised in the complaint. That Agreement was formally presented for consideration at the hearing on June 12, 1992. The parties presented testimony in support of the Agreement. Both sides emphasized that the primary concern in this proceeding has been the public safety. The goal has been to direct the company's resources toward the creation of an effective safety program, not to assess penalties or lay blame.


The Commission has had an opportunity to review the Agreement and believes that it is in the public interest to accept the Settlement and Operating Agreement in resolution of the issues raised in this docket. The complaint and order to show cause should therefore be dismissed, although the Commission retains jurisdiction, in accepting the Agreement, to ensure compliance with its provisions. The Commission expects strict compliance with the terms of the Agreement; nonetheless flexibility may be appropriate in meeting the annual targets for replacement of cast iron pipe in urban centers.

ORDER

IT IS HEREBY ORDERED That the Settlement and Operating Agreement is accepted and approved; a copy of that Agreement is attached to this order and incorporated by this reference. The complaint and order to show cause is dismissed, although the Commission retains jurisdiction, in accepting the Agreement, to ensure compliance with its provisions.

DATED at Olympia, Washington, and effective this 18th day of June 1992.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION



SHARON L. NELSON, Chairman



A. J. PARDINI, Commissioner