

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

MARIA K. LINDBERG,

Respondent.

DOCKET UW-101818

SETTLEMENT AGREEMENT

1 This Settlement Agreement (Agreement) is entered into by the parties to this proceeding for
the purpose of resolving all issues in the above docket.

I. PARTIES

2 The parties to this Agreement are Maria K. Lindberg, (“Ms. Lindberg”) and Staff of the
Washington Utilities and Transportation Commission (“Staff”) (collectively, “the Parties”).

II. BACKGROUND

3 In 2011, Staff performed a compliance investigation of the business practices of
Cristalina LLC water company. Staff found violations of laws and rules enforced by the
Commission and compiled its findings along with technical assistance and recommendations
in an investigation report dated March 2011. In conjunction with the report, Staff
recommended that the Commission issue a complaint against the company’s officer and
agent, Ms. Lindberg. On April 8, 2011, upon a finding of probable cause, the Commission
issued a complaint alleging several violations of Commission statutes and rules. On May
19, 2011, the Commission held a prehearing conference in this matter before an
administrative law judge, and set a procedural schedule. Commission Staff filed its direct
testimony and exhibits on June 23, 2011. Ms. Lindberg filed her responsive testimony on
July 21, 2011. The Parties subsequently engaged in settlement negotiations.

III. AGREEMENT

4 The Parties have reached agreement on the issues in this docket and wish to present their
agreement for the Commission’s consideration and approval. The Parties therefore adopt
the following Agreement, which the Parties enter into voluntarily, to resolve all matters in
dispute between them or that could arise between them from the issues presented in this
proceeding, and they seek to expedite the orderly disposition of this matter.

A. Admissions, Terms, and Penalties

- 5 Ms. Lindberg admits that she violated Commission statutes and rules, agrees to pay a \$2,000 penalty, and agrees to a suspended penalty of \$8,000 for violation of 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).
- 6 The Parties agree that the penalty will be due and payable to the Commission in \$200 increments over a period of ten months, beginning on the first of the month following adoption of this Agreement by the Commission.
- 7 The Parties agree that the suspended penalty will be waived provided that Ms. Lindberg files a general rate case by September 15, 2011, in compliance with WAC 480-07-530.
- 8 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.

B. General Compliance

- 9 This Agreement does not preclude the Commission from pursuing penalties for violations of Commission rules and statutes unrelated to the subject matter of this Agreement, or for violations of the statutes and rules set forth above occurring after execution of this Agreement.

III. GENERAL PROVISIONS

- 10 The Parties agree that this Settlement Agreement is a settlement of all contested issues between them in this proceeding. The Parties understand that this Settlement Agreement is not binding unless and until accepted by the Commission.
- 11 The Parties agree to cooperate in submitting this Agreement promptly to the Commission for acceptance. The Parties further agree to support adoption of this Agreement in proceedings before the Commission through testimony or briefing. No party to this Agreement or their agents, employees, consultants, or attorneys will engage in advocacy contrary to the Commission's adoption of this Agreement.
- 12 The Parties agree to: (1) provide each other the right to review in advance of publication, any and all announcements or news releases that the other party intends to make about the Agreement (with the right of review to include a reasonable opportunity to request changes to the text of such announcements); and (2) include in any news release or announcement a statement to the effect that Staff's recommendation to approve the Agreement is not binding on the Commission itself.

- 13 Nothing in this Agreement shall limit or bar any other entity from pursuing legal remedies against Ms. Lindberg's or Ms. Lindberg's ability to assert defenses to such claims.
- 14 The Parties have entered into this Agreement to avoid further expense, inconvenience, uncertainty, and delay of continuing litigation. The Parties recognize that this Agreement represents a compromise of the Parties' positions. As such, conduct, statements, and documents disclosed during negotiations of this Agreement shall not be admissible as evidence in this or any other proceeding, except in any proceeding to enforce the terms of this Agreement or any Commission order fully adopting those terms. This Agreement shall not be construed against either party because it was a drafter of this Agreement.
- 15 The Parties have negotiated this Agreement as an integrated document to be effective upon execution and Commission approval. This Agreement supersedes all prior oral and written agreements on issues addressed herein. Accordingly, the Parties recommend that the Commission adopt this Agreement in its entirety.
- 16 The Parties may execute this Agreement in counterparts and, as executed, shall constitute one Agreement. Copies sent by facsimile are as effective as original documents.
- 17 The Parties shall take all actions necessary, as appropriate, to carry out this Agreement.
- 18 In the event the Commission rejects or modifies any portion of this Agreement, each party reserves the right to withdraw from this Agreement by written notice to the other party and the Commission. Written notice must be served within ten (10) days of the order rejecting all or part of this Agreement. In such event, neither party will be bound or prejudiced by the terms of this Agreement, and either party shall be entitled to seek reconsideration of the order. Additionally, the Parties will jointly request that a prehearing conference be convened for purposes of establishing a procedural schedule to complete the case.

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

MARIA K. LINDBERG

ROBERT M. MCKENNA
Attorney General

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

MARIA K. LINDBERG

Dated: _____, 2011

Dated: _____, 2011