

Seattle, Washington, represents respondent Cristalina. Contact information for the parties and their representatives is attached as Appendix A to this order.

PARTY POSITIONS

6 Cristalina contends that it was lawfully entitled to disconnect the Becks' water service because the Becks' account is delinquent in the amount of \$3,423.78. The Company had previously asserted the Becks owed more money, but adopted this lower figure in October 2013 after receiving an evaluation of the Becks' account from Steven Elliott, a Consumer Complaint Investigator with the Commission.¹

7 On November 5, 2013, Cristalina delivered a First Notice of Disconnection (First Notice) to the Becks. The First Notice stated that Cristalina intended to disconnect the Becks' water service "for non-payment of delinquent charges" on November 20, 2013, and asserted that the Becks' account balance was "\$3,423.78, of which \$0 is current charges, not yet delinquent."²

8 On November 15, 2013, Cristalina mailed a Second Notice of Disconnect (Second Notice) to the Becks. The Second Notice reiterated the information contained in the First Notice, including the same disconnect date of November 20, 2013.³

9 On November 25, 2013, Ms. Maria Lindberg left a voicemail message for the Becks in a last attempt to secure payment. On November 26, 2013, Cristalina disconnected the Becks' water service.⁴

10 The Becks argued that Mr. Elliott's determination they owed Cristalina \$3,423.78 did not create a debt to the Company. The Becks also argued that their account was current at the time of disconnection, making Cristalina's disconnection improper.

¹ Cristalina's Response at 1-2.

² *Id.* at 3; *see also* Exhibit 2.

³ Cristalina's Response at 3; *see also* Exhibit 3.

⁴ Cristalina's Response at 3-4; *see also* Exhibit 4.

DISCUSSION AND DECISION

11 RCW 80.28.010(5) allows a water company to disconnect service if a customer fails to make payment for services provided. WAC 480-110-355(3)(a) requires water companies to notify customers before disconnecting their service by

serv[ing] a written disconnection notice on the customer, either by mail, or, at the company's option, by personal delivery of the notice to the customer's address, attached to the primary door.

The disconnection notice must include a "delinquent date" that is no less than eight business days after the date of personal delivery. The rule also requires water companies to deliver or mail a second disconnection notice that includes a "deadline for compliance" that is no less than three business days from the date of mailing.

12 In this case, Cristalina's First Notice appears proper on its face. The First Notice was personally delivered and attached to the Becks' primary door on November 5, 2013. The First Notice provided a delinquent date of November 20, 2013, which is ten business days after the date Cristalina delivered the First Notice. The First Notice complied with the rule's delivery and timing requirements.

13 Cristalina's Second Notice, however, appears to have been premature. The Second Notice was mailed to the Becks on November 15, 2013, several days before the delinquent date stated in the First Notice. The Second Notice set a deadline for compliance of November 20, 2013, the same day as the First Notice's delinquent date.

14 WAC 480-110-355(3)(b) does not explicitly require the Second Notice to be served or mailed after the First Notice's delinquent date passes. However, a reasonable interpretation of the rule requires a water company to send these notices in sequence, one after the other's terms expire. The rule distinguishes between the "delinquent date" to be established in a First Notice and the "deadline for compliance" to be set in the Second Notice. The Commission concludes that these dates cannot be the same. Therefore, Cristalina's Second Notice failed to comply with the timing requirement of WAC 480-110-355(3)(b).

15 Even if Cristalina's disconnection notices fully complied with WAC 480-110-355(3), the Company's disconnection action was missing a foundational element required by WAC 480-110-355(1)(b). That portion of the rule states that after properly notifying

the customer, a water company may discontinue service for one of nine reasons, including “unpaid bills, as provided for in WAC 480-110-375 (Form of bills).”⁵

- 16 Cristalina conceded that it relied on Mr. Elliott’s calculation of the Becks’ delinquent account when it stated the amount due in its First Notice. Cristalina could not provide the Commission with evidence of a bill in the amount of \$3,423.78 presented to the Becks in the form required by WAC 480-110-375.
- 17 The Commission must find that Cristalina’s disconnection action was not legally sufficient. Therefore, Cristalina must immediately reconnect the Becks’ water service. Further, pursuant to WAC 480-110-355(5), the Company must not again attempt to disconnect the Becks’ water service pending resolution of this dispute.
- 18 The Commission does not address in this order the other issues presented in the Becks’ complaint and Cristalina’s response thereto.⁶ Instead, the parties are directed to file with the Commission no later than Thursday, January 23, 2014, a list of all relevant issues they desire the Commission to address and resolve in this proceeding. The Commission will schedule a prehearing conference to determine the appropriate scope of this proceeding and to adopt a procedural schedule for adjudicating the Becks’ formal complaint against Cristalina.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

- 19 Having discussed above in detail the evidence received in this proceeding regarding all material matters, the Commission now makes and enters the following summary of those facts and conclusions of law:
- 20 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with authority to regulate rates, rules, regulations, practices, and accounts of public service companies, including water companies, and thereby has jurisdiction over the parties and subject matter of this proceeding.

⁵ WAC 480-110-355(1)(b)(i).

⁶ In addition, the question of whether the Becks’ alleged account delinquency should be considered a “prior obligation” and excluded as a lawful basis for permanent denial of water service under WAC 480-110-345 is reserved for future proceedings in this docket.

- 21 (2) Cristalina, LLC, is a “public service company” and a “water company” as those terms are defined and otherwise used in Title 80 RCW. Cristalina, LLC, is engaged in Washington State in the business of supplying utility services and commodities to the public for compensation.
- 22 (3) Mike and Glenda Beck live in Ravensdale, Washington, and are residential water customers of Cristalina, LLC.
- 23 (4) Cristalina, LLC, seeks to collect at least \$3,423.78 in allegedly delinquent water bills from Mike and Glenda Beck. In November 2013, Cristalina, LLC, delivered notices of disconnection to the Beck residence and, on November 26, 2013, disconnected water service from the Beck residence.
- 24 (5) Cristalina, LLC, did not fully comply with the Commission’s regulations governing disconnection of a customer’s water service.
- 25 (6) Cristalina, LLC, should immediately reconnect water service to the Beck residence and is not permitted to disconnect water service from the Beck residence pending resolution of this dispute.
- 26 (7) The Commission should conduct further proceedings to determine the issues to be resolved in this docket.

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ORDER

THE COMMISSION ORDERS:

- 27 (1) Cristalina, LLC, shall reconnect water service to the Beck residence no later
than Tuesday, December 24, 2013, at 3:00 p.m.
- 28 (2) Cristalina, LLC, is stayed from disconnecting water service to the Beck
residence during the pendency of this proceeding.
- 29 (3) The parties shall individually or jointly file with the Commission a list of
issues remaining to be decided in this docket no later than 5:00 p.m. on
Thursday, January 23, 2014.
- 30 (4) The Commission retains jurisdiction to effect the terms of this order.

DATED at Olympia, Washington, and effective December 24, 2013.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

ADAM E. TOREM
Administrative Law Judge

APPENDIX A

**PARTIES' REPRESENTATIVES
DOCKET UW-132268**

PARTY	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
Mike and Glenda Beck Complainants	Barry C. Kombol Rainier Legal Center Inc., P.S. 31615 Third Avenue Black Diamond, WA 98010-0100	(425) 432-3380 (360) 886-2868		rainierlegal@yahoo.com
	Mike and Glenda Beck 27107 314 th Avenue SE Ravensdale, WA 98051	253-335-0293		
Cristalina, LLC Respondent	Eric P. Gillett Preg O'Donnell & Gillett PLLC 901 5 th Avenue, Suite 3400 Seattle, WA 98164-2026	206-287-1775		egillett@pregodonnell.com
	Maria Lindberg Cristalina, LLC P.O. Box 4055 Bellingham, WA 98227	(360) 296-7318		