

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Penalty Assessment ) DOCKET TE-160713  
Against )  
)  
KUSH TOURISM LLC )  
)  
In the Amount of \$4,500 ) NARRATIVE SUPPORTING  
) SETTLEMENT AGREEMENT  
)  
)

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**I. INTRODUCTION**

1 This Narrative Supporting Settlement Agreement (Narrative) is filed pursuant to  
WAC 480-07-740(2)(a) on behalf of both Kush Tourism LLC (“Kush Tourism” or  
“Company”) and the Staff of the Washington Utilities and Transportation Commission  
(Staff). Both parties have signed the settlement agreement (Agreement), which is being filed  
concurrently with 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 this matter and the  
uncontested status of the settlement, the parties concur 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 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 Agreement's details, and its costs and benefits, should such testimony be required. In  
addition, representatives of both parties are available to respond to any questions regarding  
the proposed settlement that the Commission may have.

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  
settlement agreement.

### **III. SCOPE OF THE UNDERLYING DISPUTE**

6           The underlying dispute concerns penalties assessed by the Commission against Kush  
Tourism. On March 15, 2016, Commission Staff conducted a compliance review of Kush  
Tourism and identified critical violations of motor vehicle safety rules. The Commission  
issued a penalty assessment based on those violations in the amount of \$4,500 against Kush  
Tourism on June 3, 2016.

7           On June 10, 2016, Kush Tourism timely filed an application for mitigation of the  
penalty and a request for hearing. The Company admitted to the violations but requested  
mitigation based on "confusing regulations regarding vehicles under 8 passengers and

10,001 GVWR.” Subsequently, the parties negotiated and reached a full settlement of the dispute.

#### **IV. DESCRIPTION OF PROPOSED SETTLEMENT**

8 The settlement resolves all of the issues in dispute. The settlement provides for payment of \$2,100 in penalties, which represents just under one half the amount of the penalty assessment.

#### **V. STATEMENT OF PARTIES’ INTERESTS AND THE PUBLIC INTEREST**

9 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. Likewise, it is in the public interest that this dispute conclude without the further expenditure of public resources on litigation expenses. Staff is satisfied that the Agreement reflects both a penalty that is appropriate to the critical violations at issue and mitigation that is appropriate based on the Company’s cooperation and engagement in the compliance process. Kush Tourism’s primary interest is sparing other companies the confusion that it faced regarding whether its van carries seven or eight “passengers” and whether or not its drivers require medical certification. The Company is satisfied that the language in Commission documents that led Kush Tourism to believe it was not subject to all of the motor carrier safety rules either has been clarified or will be clarified.

#### **VI. LEGAL POINTS THAT BEAR ON PROPOSED SETTLEMENT**

10 In WAC 480-07-700, the Commission states 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

11 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 issue an order approving the Agreement in full.

Respectfully submitted this 12th day of July, 2016.

ROBERT W. FERGUSON  
Attorney General

  
JENNIFER CAMERON-RULKOWSKI  
Assistant Attorney General  
Counsel for the Washington Utilities and  
Transportation Commission

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CHARLES NOBLES  
Chief Operating Officer  
Kush Tourism LLC

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