Service Date: June 16, 2026

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

NOTICE OF PENALTIES INCURRED AND DUE
FOR VIOLATIONS OF LAWS AND RULES

Received
Records Management
Jun 18, 2026

PENALTY ASSESSMENT: DG-260470
PENALTY AMOUNT: $2,500
Investigation # 9309

EMAIL SERVICE

UBI: 409-000-073

Ryan Truair
Phone: (503) 610-7551
NW Natural Gas Company
250 Southwest Taylor Street
Portland, OR 97204
NWNCodeCompliance@nwnatural.com

YOU MUST RESPOND WITHIN 15 DAYS OF THIS NOTICE

The Washington Utilities and Transportation Commission (Commission) believes that NW Natural Gas (NWN or Company) violated Revised Code of Washington (RCW) 19.122.030(4)(a) by failing to provide information to an excavator pursuant to subsection (3) of this section, as to its locatable and unlocatable underground facilities, no later than the work-to-begin date on the notice.

On April 15, 2026, NWN submitted to the commission a 30-day report of an incident involving Simplex HDD LLC (Simplex) damaging a natural gas facility that occurred on March 17, 2026. Staff conducted an investigation that included reviewing the incident report, Company response, email, photographs, the one Call Center database, open source research, and attempted communications with Simplex. The investigation identified a natural gas damage event that involved NWN.

RCW 19.122.030(4)(a) states, in part, that a facility operator must provide information to an excavator pursuant to subsection (3) of this section as to its locatable and unlocatable underground facilities, no later than the work-to-begin date on the notice.

RCW 19.122.055(2) states, in part, that any hazardous liquid or gas pipeline operator who (a): (i) Fails to accurately locate the underground facility as required under RCW 19.122.030 (3) and (4); or (ii) fails to mark its underground facilities as required under RCW 19.122.030 (1), and (b) whose underground facility is damaged as a result of the failure in (a) of this subsection is subject to a civil penalty of not more than $25,000 for each violation.

The Commission reviewed findings and recommendations made by Staff and hereby notifies you that it is assessing a $2,500 penalty (Penalty Assessment) against you on the following grounds:

1. **Alleged Violation:**
   On March 17, 2026, Simplex was excavating at NE 60th Street and NE 60th Avenue, Vancouver, Washington. While excavating, Simplex struck and damaged a 2” Polyethylene

(PE) gas line. The 30-day report submitted by NWN on April 15, 2026, indicated that the Simplex damaged the gas line due to the facility being inaccurately marked due to locator error.

2. **Analysis:**

The alleged violation concerns RCW 19.122.030(4)(a), which states, in part, that a facility operator must provide information to an excavator pursuant to subsection (3) of this section as to its locatable and unlocatable underground facilities, no later than the work-to-begin date on the notice.

On June 2, 2026, NWN responded to Staff's request for information and admitted the violation. The attached respondent form explained that when the locator attempted to mark the end of a 2" PE gas main on Lot 68, located at 6003 NE 60th Avenue, it was discovered that the end-of-main locate hookup ("fink") was missing. This prevented the technician from inducing a signal and accurately locating the gas main in that area. Per the established procedure, the appropriate course of action would have been to contact a supervisor and request as-built documentation for the location in question. Those records would allow the technician to perform measurement-based markings to ensure accuracy in the absence of a usable locate point. NWN documented that the technician did not notify a supervisor or any NWN resource to obtain assistance or documentation. Instead, the markings were placed based on estimation and were 23ft short of the actual end of main, which did not align with standard locating procedures or training. As a result, Simplex responded to the locate ticket and began working under the assumption that no gas facilities were present in the marked area. While installing a hydraulic anchor, Simplex struck and damaged a 2" PE gas main. NWN conducted an investigation and determined that had the measurements been used to place the locate marks, it was highly likely that the impacted pipeline would have been identified correctly and the damage avoided. NWN noted that the locator's OQ's (Operator Qualification) have been permanently disqualified for locating for NWN. NWN provided a copy of locate ticket #26090168 documenting that Simplex had a valid locate ticket for NE 59th Avenue and NE 63rd Street, Minnehaha, Washington. It should be noted that Google Maps show that Minnehaha is located in Clark County, Washington and the internet shows that it is a recognized community area within the larger Vancouver metropolitan area. NWN provided photographs documenting the excavation site and the damage to the gas line.

On April 21, 2026, Staff called Simplex and spoke with the owner, Valerii Laperadze (Laperadze). Laperadze stated that he had a video of the violation and he would send it to Staff. Laperadze provided his personal email. On April 21, 2026, Staff emailed Simplex requesting information. On May 7, 2026, Staff sent a second email to the Company requesting information. To date, Staff has not received any communication from the company.

Staff searched the Washington One Call Center database and confirmed that Simplex had a valid locate ticket for NE 59th Avenue and NE 63rd Street, Minnehaha, Washington on March 17, 2026, the date of the damage.

On June 3, 2026, Staff spoke with Adam Jenson with NWN by phone regarding the locate to the main. Jenson stated that the technician had located the line from the meter to the service T but was not getting a signal from the service T on the 2" main to the fink (about 25ft). The technician estimated that the main continued for about 2-3 feet, however, the main continued for about 23 feet. The main was partially located but not the full section of the main. Even though 2-3 feet of the main was located, NWN confirmed that approximately 23ft was not. Staff believes that this is a failure to locate the underground facilities versus an accuracy issue.

The Commission considered the following factors in determining the appropriate penalty amount for the violation:

1. **How serious or harmful the violation is to the public.**
   This incident could have been significantly more harmful to Company workers, utility technicians, nearby homeowners, and the public, and it could have resulted in severe injury and loss of property.

2. **Whether the violation is intentional.**
   This violation appears to be due to negligence by NWN rather than a lack of knowledge regarding Washington State's dig law. Over the past three years, NWN has been penalized by the Commission on one occasion for violating RCW 19.122.

3. **Whether the company self-reported the violation.**
   NWN self-reported the violation. The Commission received a 30-day Incident Report as required by WAC 480-93-200(4) from NWN on April 15, 2026, concerning an incident that occurred on March 17, 2026.

4. **The likelihood of recurrence.**
   The likelihood of recurrence depends on the Company's actions going forward and its willingness to notify the one-number locate service every time before beginning excavation.

5. **The Company's previous violations and penalties.**
   - On December 12, 2025, the Commission issued NWN a Penalty Assessment of $2,000 for two violations of RCW 19.122.030(4)(a)– in docket D-250560.

The Commission has considered these factors and determined that it should penalize NW Natural Gas as follows:

- $2,500 penalty for one violation of RCW 19.122.030(4)(a).

Further violation of RCW 19.122 will result in progressive penalty assessment up to maximum allowable by law.

These facts, if proven at a hearing and not rebutted or explained, are sufficient to support the Penalty Assessment.

Your penalty is due and payable now. If you believe the violation did not occur, you may deny committing the violation and contest the penalty through evidence presented at a hearing or in writing. Or, if there is a reason for the violation that you believe should excuse you from the penalty, you may ask for mitigation (reduction) of the penalty through evidence presented at a hearing or in writing. The Commission will grant a request for a hearing only if material issues of law or fact require consideration of evidence and resolution in a hearing. Any request to contest the violation or for mitigation of the penalty must include a written statement of the reasons supporting that request. Failure to provide such a statement will result in denial of the request. *See* RCW 81.04.405.

If you properly present your request for a hearing and the Commission grants that request, the Commission will review the evidence supporting your dispute of the violation or application for mitigation in a Brief Adjudicative Proceeding before an administrative law judge. The administrative law judge will consider the evidence and will notify you of their decision.

You must act within 15 days after receiving this Penalty Assessment to do one of the following:

- Pay the $2,500 penalty amount due; or
- Contest the occurrence of the violation; or
- Admit the violation but request mitigation of the penalty amount.

Please indicate your selection on the enclosed form and submit it electronically through the Commission's web portal at https://efiling.utc.wa.gov/Form **within FIFTEEN (15) days** after you receive this Penalty Assessment. If you are unable to use the web portal, you may submit it via email to records@utc.wa.gov. If you are unable to submit the form electronically, you may send a paper copy to the Washington Utilities and Transportation Commission, PO Box 47250, Olympia, Washington 98504-7250.

If you wish to make your payment online, please use this link: Make a Payment Now (wa.gov).[1]

If you do not act within 15 days, the Commission may refer this matter to the Office of the Attorney General for collection.

DATED at Lacey, Washington, and effective June 16, 2026.

/s/*Connor Thompson*
CONNOR THOMPSON
Director, Administrative Law Division

[1] https://www.utc.wa.gov/documents-and-proceedings/online-payments/make-payment-now.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
PENALTY ASSESSMENT DG-260470 Investigation # 9309

PLEASE NOTE*:* You must complete and sign this document and send it to the Commission within 15 days after you receive the Penalty Assessment. Use additional paper if needed.

I have read and understand RCW 9A.72.020 (printed below), which states that making false statements under oath is a class B felony. I am over the age of 18, competent to testify to the matters set forth below and I have personal knowledge of those matters. I hereby make, under oath, the following statements:

☑ 1. **Payment of penalty.** I admit that the violation occurred:
☐ Enclose $2,500 in payment of the penalty.
OR ☑ Attest that I have paid the penalty through the Commission's payment portal.

☐ 2. **Contest the violation.** I believe that the alleged violation did not occur for the reasons I describe below (**if you do not include reasons supporting your contest here, your request will be denied)**:

☐ a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision.
OR ☐ b) I ask for a Commission decision based solely on the information I provide above.

☐ 3. **Request mitigation.** I admit the violation, but I believe that the penalty should be reduced for the reasons set out below (**if you do not include reasons supporting your application here, your request will be denied)**:

☐ a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision.
OR ☐ b) I ask for a Commission decision based solely on the information I provide above.

I declare under penalty of perjury under the laws of the state of Washington that the foregoing, including information I have presented on any attachments, is true and correct.

Dated: 6/18/26 [Month/Day/Year], at Portland, OR [City, State]

Ryan Truair
Name of Respondent (Company) – please print

Ryan Truiar Digitally signed by Ryan Truiar Date: 2026.06.17 14:32:32 -07'00'
Signature of Applicant

RCW 9A.72.020 “Perjury in the first degree.”

(1) A person is guilty of perjury in the first degree if in any official proceeding he or she makes a materially false statement which he or she knows to be false under an oath required or authorized by law.
(2) Knowledge of the materiality of the statement is not an element of this crime, and the actor's mistaken belief that his or her statement was not material is not a defense to a prosecution under this section.
(3) Perjury in the first degree is a class B felony.