Service Date: September 28, 2026

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
NOTICE OF PENALTIES INCURRED AND DUE
FOR VIOLATIONS OF LAWS AND RULES

PENALTY ASSESSMENT: DG-260738
PENALTY AMOUNT: $1,000
Investigation #9338
UBI: 603-547-025

Vitaliy Gutsalo
Vladimir Litvinchuk
Yevgeniy Gusalo
Greencity Development LLC
8217 44th Avenue West; Ste. A
Mukilteo, WA 98275
yuril@greencitydev.us ; greg@greencitydev.us
(425) 394-3204

YOU MUST RESPOND WITHIN 15 DAYS OF THIS NOTICE

The Washington Utilities and Transportation Commission (Commission) believes that Greencity Development, LLC (Greencity or Company) violated the following Revised Code(s) of Washington (RCW):

- RCW 19.122.040(2)(d) for failing to use reasonable care to avoid damaging underground facilities by not using safe and careful work methods, taking into consideration the known and unknown underground facilities and the surface and subsurface to be excavated.

RCW 19.122.055(1)(a) states, in part, that any excavators who violate any provision of this chapter and causes damage to an underground gas facility are subject to a civil penalty of not more than $25,000 for each violation.

On June 29, 2026, Puget Sound Energy (PSE) submitted to the commission a 30-day report of an incident involving Greencity damaging a natural gas facility that occurred on June 1, 2026. Staff conducted an investigation that included reviewing the incident and damage reports, emails, photographs, and the One Call Center database. View the Staff Investigation Memo.[1]

Alleged Violation:

On June 1, 2026, Greencity was excavating at 1203 North Allen Place #H, Seattle, Washington. The 30-day report submitted by PSE on June 29, 2026, indicated that the Greencity excavated prior to verifying the marks by potholing and severed a 2" polyethylene (PE) gas line.

[1] https://apiproxy.utc.wa.gov/cases/GetDocument?docID=14&year=2026&docketNumber=260738 .

The Commission has reviewed Staff's Investigation Memo and considered the following factors in determining the appropriate penalties for these violations:

1. **How serious or harmful the violations are to the public.**

   This incident could have been harmful to Company workers, utility technicians, nearby homeowners, and the public, and could have resulted in serious injury and loss of property.

2. **Whether the violations are intentional.**

   This violation appears to be due to negligence by Greencity rather than a lack of knowledge regarding Washington State's dig law. Between September 8, 2025, and September 7, 2026, Greencity has submitted 59 requests to locate underground facilities in Washington. This demonstrates the Company's knowledge of the requirements and its responsibility to comply with the Dig Law.

3. **Whether the company self-reported the violations.**

   Greencity did not self-report the violation. The Commission received a 30-day Incident Report as required by WAC 480-93-200(4) from PSE on June 29, 2026, concerning an incident that occurred on June 1, 2026.

4. **The likelihood of recurrence.**

   The likelihood of recurrence depends on the Company's actions going forward and its willingness to comply with Washington State's Dig Law.

5. **The Company's previous violations and penalties.**

   On July 11, 2024, the Commission mailed an Alleged Violation of Washington Dig Law letter to Greencity. The letter included detailed information about Washington State's Underground Utility Damage Prevention Act, requirements for submitting utility locate requests before excavating, and the possibility of penalties for each violation. The Commission mailed the letter after receiving a report of damage caused by Greencity on April 29, 2024, that occurred because the Company failed to submit a request to locate underground utilities before excavating.

The Commission has reviewed the findings and recommendations made by Staff and considered the factors enumerated above and hereby determines that it should penalize you as follows:

- $1,000 penalty for one violation of RCW 19.122.040(2)(d) with an offer to suspend an $800 portion of the penalty for 90 days, and then waive it, subject to the conditions that:

1) Company management and field crew responsible for excavation complete Dig Safe Training provided through the National Utility Contractors Association (NUCA) within 90 days of this Penalty Assessment; and
2) The Company must submit documentation of training completion to the Commission.

Further violation of Chapter 19.122 RCW will result in progressive penalty assessment up to the 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(s) did not occur, you may deny committing the violation(s) and contest the penalty through evidence presented at a hearing or in writing, or you may ask for mitigation (reduction) of the penalty through evidence presented at a hearing or in writing. Pursuant to the Commission's Enforcement Policy, the Commission considers three factors in determining whether mitigation of an assessed penalty is appropriate:

1. Whether the company demonstrates that the facts considered by the Commission underlying the assessment were incorrect or do not support the penalty assessed;

2. Whether the company demonstrates that mitigating information or factors exist that the Commission may not have considered in setting the assessed penalty amount; and

3. Whether the company explains other circumstances that convince the Commission that a lesser penalty will be equally or more effective in ensuring compliance by the company with applicable statutory and regulatory requirements.[2]

If seeking mitigation in writing, the Company should refer to the above factors used in determining the penalty amount and explain how the facts or circumstances support mitigation. 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(s) 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(s) 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.

[2] Docket A-120061, Enforcement Policy for the Washington Utilities and Transportation Commission at 10-11 ¶ 19 (January 7, 2013).

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

- Pay the $1,000 penalty amount due; or
- Pay $200 and notify the Commission that you accept the offer to suspend an $800 portion of the penalty amount for 90 days, and then waive it, subject to the following conditions:
  - Company management and field crew responsible for excavation must complete NUCA Dig Safe Training (https://utc-9183.quickbase.com/db/bpkt6vndh) within 90 days of service of this Penalty Assessment; and
  - The Company must submit documentation of training completion (Certificate) to the Commission. (See attached **NUCA Dig Safe Training Verification Record**); or
- Contest the occurrence of the violation(s); or
- Admit the violation(s) 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).[3]

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 September 28, 2026

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

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