

APPENDIX A

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,
Complainant,

v.

NEWAUKUM WATER SYSTEM, INC.,
Respondent.

DOCKET UW-143181
(Consolidated)

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,
Complainant,

v.

NEWAUKUM WATER SYSTEM, INC.,
Respondent.

DOCKET UW-143330
(Consolidated)

STIPULATION OF FACTS

1 This Stipulation of Facts (“Stipulation”) is entered into for the purpose of clarifying the disputes between Washington Utilities and Transportation Commission Staff (“Staff”) and Newaukum Water System, Inc. (“Newaukum” or “Company”). This Stipulation is subject to Commission approval.

I. PARTIES

2 The parties to this Stipulation are Staff and Newaukum (collectively, “the Parties”).

II. BACKGROUND

3 On November 21, 2012, the Washington Utilities and Transportation Commission
(Commission) entered Order 01 in Docket UW-143181, which sets forth the
Commission's Complaint against the Company's rates and charges, alleging that they
may generate more revenue than the Company requires to pay reasonable expenses and
earn a reasonable return, and therefore may be unjust and unreasonable. On September
15, 2014, Newaukum filed a petition in Docket UW-143330 requesting to be removed
from Commission jurisdiction.

4 The Parties pursued this Stipulation to clarify the disputes while reducing
unnecessary expense and litigation. The Parties intend to ask the Commission to resolve
the jurisdictional question set forth in Docket UW-143330 as soon as practicable.

III. STIPULATION

5 The Parties agree to stipulate to the truth and legitimacy of the following facts. The
Parties acknowledge that, if accepted by the Commission, this stipulation is binding. The
Parties voluntarily enter this Stipulation without hearing or adjudication to avoid the
expense and time associated with unnecessary litigation.

1. Newaukum Water System, Inc. is a non-profit corporation registered with the Washington State Secretary of State.
2. Newaukum owns, controls, operates, and manages a water system for hire in Washington state.
3. Newaukum has 22 customers. The Washington State Department of Health has limited Newaukum to not more than 23 connections. Twenty-two connections are in place. The designated 23rd connection is not in use.
4. Newaukum has average annual revenue per connection greater than \$557.
5. Newaukum was established in 2011, when the previous for-profit owner of the water system, Mr. Ken Lindebak and his wife, quitclaimed the water system to the non-profit corporation they had created, Newaukum Water System, Inc.

6. Sometime after establishing Newaukum, Mr. Lindebak informed the water system's customers in 2013 that they were all members in the newly-created non-profit corporation, Newaukum Water System, Inc.
7. Two customers rejected, and continue to reject, membership in Newaukum.
8. Staff recognizes these two customers as non-members. Based on its current Bylaws, Newaukum views these customers as non-voting members.
9. Newaukum representatives state that the two non-members/non-voting members are two of the most supportive members with monetary and labor donations.

IV. GENERAL PROVISIONS

6 The Parties understand that this Stipulation is not binding unless and until accepted by the Commission.

7 The Parties agree to cooperate in submitting this Stipulation promptly to the Commission for approval. The Parties agree to support adoption of this Stipulation by the Commission in proceedings before the Commission, if necessary.

8 The Parties have entered into this Stipulation to narrow the relevant disputes and avoid unnecessary expense, inconvenience, and delay. As such, no action taken or statement made by a Party in connection with this Stipulation is an acknowledgment by such Party of any fault or liability to the other Party or to any other person or entity. For the purpose of construing or interpreting this Stipulation, this Stipulation shall be deemed to have been drafted by both Parties.

9 This Stipulation is an integrated document effective upon execution. Accordingly, the Parties recommend that the Commission accept this Stipulation in its entirety, without the need for further review or offers of proof.

10 The Parties may execute this Stipulation in counterparts and as executed, shall constitute one agreement. Copies sent by facsimile or similar means are as effective as original documents.

11 The Parties shall take all actions reasonably necessary and appropriate to carry out this Stipulation.

12 In the event that the Commission rejects all or any portion of this Stipulation, each party reserves the right to withdraw by written notice to the other party and the Commission. Written notice must be served within 10 calendar days of the Commission action rejecting part or all of this Stipulation. In such event, neither party will be bound or prejudiced by the terms of this Stipulation.

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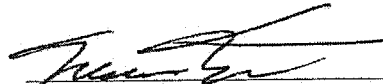
ROBERT W. FERGUSON
Attorney General



Brett P. Shearer

Assistant Attorney General
Counsel for Commission Staff
Dated: 2nd day of December, 2014.

Newaukum Water System, Inc.



By: Maurice Kurtz, Chairman
Newaukum Board of Directors

Appearing Pro Se for
Newaukum Water System, Inc.
Dated: 2nd day of December, 2014.