

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

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

PENALTY ASSESSMENT: DG-200484  
PENALTY AMOUNT: \$1,000  
Investigation # 8187

UBI: 602-881-491  
Phone: (360) 920-3459

Velocity Electric Corporation  
4545 Hannegan Rd.  
Bellingham, WA 98226  
markgreenberg@live.com

The Washington Utilities and Transportation Commission (Commission) believes that Velocity Electric Corporation (Velocity or Company) has violated Revised Code of Washington (RCW) 19.122.055 by failing to provide the required notice to facility operators through a one-number locator service before excavating. RCW 19.122.055 states, in part, that any excavator who fails to notify a one-number locator service and causes damage to an underground hazardous liquid or gas facility is subject to a civil penalty of not more than \$10,000 for each violation.

Commission staff (Staff) conducted an investigation that included reviewing damage reports submitted by Cascade Natural Gas Corporation (CNGC) that identified a natural gas damage event involving Velocity. Accordingly, the Commission hereby notifies you that it is assessing a penalty of \$1,000 against the Company on the following grounds:

On June 1, 2015, the Commission mailed an Alleged Violation of Washington Dig Law letter to Velocity. 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 Velocity on March 12, 2015, that occurred because the Company failed to submit a request to locate underground utilities before excavating.

On November 13, 2019, Velocity was excavating at 2063 Calico Loop, Ferndale, Washington. While inserting a grounding rod, Velocity workers struck and damaged an underground CNGC gas facility. The Damage Information Reporting Tool report submitted by CNGC on November 14, 2019, indicated that Velocity was excavating without a valid request to locate underground utilities. Staff's subsequent investigation determined that Velocity did not have a valid utility locate request for the excavation that caused the damage incident.

Staff recommends the Commission assess a \$1,000 penalty against Velocity for one violation of RCW 19.122.055 for failing to provide the required notice to a one-number locator service before excavating for the violation on November 13, 2019.

Staff's research indicates that Velocity has submitted one request to locate underground utilities since January 1, 2018. The Commission is aware of two underground utility damage incidents caused by Velocity, both of which occurred because Velocity failed to submit a utility locate request before excavating. After considering all of the circumstances, Staff recommends that the Commission offer to suspend the entire \$1,000 penalty amount for a period of one year, subject to the conditions that: (1) the Company incurs no further violations of RCW 19.122 within 12 months of the date of this Notice; and (2) Company management complete Dig Safe Training provided through the National Utility Contractors Association (NUCA) within 12 months of the date of this Notice.

The Commission agrees with Staff's recommendation and assesses a penalty of \$1,000, with an offer to suspend, and ultimately waive, the entire \$1,000 penalty amount subject to the conditions listed above. If the Company fails to comply with the conditions, the \$1,000 suspended penalty amount will become immediately due and payable, in addition to any new penalties that the Commission may assess for additional violations.

These facts, if not contested or if proved 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 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 notice** to do one of the following:

- Pay the \$1,000 penalty amount due; or
- Notify the Commission that you accept the offer to suspend, and ultimately waive, the entire \$1,000 penalty amount subject to the following conditions:
  - Company management must attend Dig Safe training provided through NUCA within twelve (12) months of the date of this Notice; and
  - **The Company must submit documentation of attendance to the Commission within five (5) days of attending the training;** and
  - The Company must not commit any further violations of RCW 19.122 within 12 months of the date of this Notice; or
- Request a hearing to contest the occurrence of the violation; or
- Request mitigation to reduce the amount of the penalty.

Please indicate your selection on the enclosed form and send it to the Washington Utilities and Transportation Commission, P.O. Box 47250, Olympia, Washington 98504-7250, **within FIFTEEN (15) days** after you receive this notice.

**If you do not act within 15 days**, the Commission may refer this matter to the Office of the Attorney General for collection. The Commission may then sue you to collect the penalty.

DATED at Lacey, Washington, and effective August 31, 2020.

*/s/ Rayne Pearson*  
RAYNE PEARSON  
Director, Administrative Law Division

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**  
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**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, am 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 and enclose \$1,000 in payment of the penalty.
2. **Accept conditions.** I admit that the violation occurred. I also accept the Commission's offer to suspend, and ultimately waive, the remaining \$1,000 penalty amount subject to the following conditions:
- Company management must attend Dig Safe training provided through NUCA within twelve (12) months of this Notice; and
  - The Company must submit documentation of that attendance to the Commission **within five (5) days** of attending the training; and
  - The Company must not commit any further violations of RCW 19.122 within twelve (12) months of the date of this Notice.
3. **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.
4. **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: \_\_\_\_\_ [Month/Day/Year], at \_\_\_\_\_ [City, State]

\_\_\_\_\_  
Name of Respondent (Company) – please print

\_\_\_\_\_  
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 makes a materially false statement which he 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 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.”