

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PELICAN POINT WATER COMPANY,

Respondent.

DOCKETS UW-143980 and
UW-150548 (*Consolidated*)

SETTLEMENT AGREEMENT

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

JILL GOODRICH,

Respondent.

I. INTRODUCTION

1 This Settlement Agreement (“Settlement”) is entered into by the parties in this case:
Pelican Point Water Company (“Pelican” or the “Company”), Jill Goodrich, and staff of the
Washington Utilities and Transportation Commission (“Staff”) (hereinafter collectively
referred to as “Parties” and individually as a “Party”).

2 This Settlement is a “full settlement” as the term is defined in WAC 480-07-730(1)
because it is entered into by the Parties, and it resolves all issues raised in the above dockets.

II. AGREED FACTS

3 Every water company that operates in Washington State must file an annual report
and pay regulatory fees to the Washington Utilities and Transportation Commission
(“Commission”) each year by May 1. WAC 480-110-505.

4 Pelican did not file an annual report or pay regulatory fees, as required by WAC 480-110-505, for the 2012 and 2013 reporting years. In 2013 and 2014, the Commission assessed a penalty against the Company for violating the filing and regulatory fee requirements. The Company paid both penalty assessments, but did not file its annual report or pay its regulatory fees for either the 2012 or 2013 reporting years.

5 On October 15, 2014, the Commission mailed a Notice of Noncompliance to the Company detailing its failure to comply with WAC 480-110-505. The notice stated that the Company had until November 15, 2014, to file its delinquent reports and pay its delinquent regulatory fees to avoid enforcement action. The Commission did not receive the delinquent filings, fees, or any other response to the notice.

6 On April 23, 2015, the Commission served Pelican and Jill Goodrich with a Complaint for Penalties and Notice of Brief Adjudicative Proceeding, set for June 2, 2015, at 1:30 p.m. (the "Complaint"). The Complaint alleged that Pelican and Ms. Goodrich each committed 1,360 separate and distinct violations of WAC 480-110-505 — 680 violations for failing to file the Company's 2012 and 2013 annual reports, and another 680 violations for failing to pay its 2012 and 2013 regulatory fees. On the same date, the Commission issued a Subpoena and Subpoena Duces Tecum for Production of Documents ("Subpoena") to Ms. Goodrich to appear before the Commission at the Brief Adjudicative Proceeding ("BAP") scheduled for June 2, 2015, and to bring the documents specified in the Subpoena.

7 On May 22, 2015, Pelican and Ms. Goodrich requested that the BAP be continued to June 25, 2015, at 1:30 p.m., and the deadline for the production of documents be extended to June 18, 2015. Staff notified the Commission that it did not object to the continuance. The Commission issued a Notice of Continuance of Brief Adjudicative Proceeding on May 26, 2015, stating that the Commission would continue the BAP to a date to be determined in the

near future. On June 23, 2015, the Parties notified the Commission that they had reached a mutually agreeable date of Thursday, August 27, 2015, at 1:30 p.m., for the rescheduled BAP and August 20, 2015, as the deadline for the production of documents. The Commission issued a Notice Rescheduling Brief Adjudicative Proceeding that same day, which set the BAP for August 27, 2014, at 1:30 p.m.

8 The Parties subsequently engaged in settlement discussions, which resulted in a full settlement. On August 19, 2015, Staff requested, on behalf of both parties, that the Commission temporarily suspend the procedural schedule because the Parties were actively engaged in settlement negotiations, and hoped to arrive at an agreement without the need for a hearing. The Commission granted the request that same day, and instructed the parties to file either a settlement agreement and supporting documentation or a report on the status of their settlement negotiations by September 2, 2015.

9 The Parties' full settlement agreement is reflected in this Settlement document, which was entered into voluntarily to resolve all matters that were in dispute. The Parties now wish to present their Settlement for the Commission's consideration and approval. This Settlement is filed in the interest of expediting the orderly disposition of this proceeding. The Parties understand that this Settlement is subject to Commission approval, and hereby respectfully request that the Commission issue an order approving this Settlement in its entirety. The Parties will jointly file supporting documentation, as required by WAC 480-07-740(2).

III. AGREEMENT

10 **Dismiss Alleged Violations Against Ms. Goodrich** – The Parties agree that the Commission should dismiss the allegations in the Complaint that Jill Goodrich, as owner and authorized agent of Pelican, committed 1,360 violations of WAC 480-110-505.

11 **Admission of Violations By Pelican** – Pelican admits that it committed 1,360
violations of WAC 480-110-505, as alleged in the Complaint.

12 **Past Due Annual Reports and Regulatory Fees** – The Parties agree that Pelican
shall file its annual reports and pay its regulatory fees for the 2010, 2011, 2012, 2013, and
2014 reporting years. The Parties agree that Pelican, as of the date of this Settlement, has
filed its annual reports for the 2010, 2011, 2012, 2013 and 2014 reporting years. The Parties
further agree that Pelican paid in full its balance of \$2,938.52 for all past due regulatory
fees.

13 **Monetary Penalty** – The Parties agree that the Commission should assess Pelican
with a penalty in the amount of \$34,000. The Parties agree that Pelican shall pay \$2,500 of
the penalty assessment, no later than ten (10) business days following an order approving
this Settlement becoming final, and that the remaining \$31,500 shall be suspended for, and
waived after June 30, 2017, provided that the Company: (1) meets its annual reporting and
regulatory fee requirements for both the 2015 and 2016 reporting years, and (2) pays the
\$2,500 penalty amount as provided above. If the Company fails to meet either of these two
conditions, the suspended penalty amount and any remaining past due balance shall become
due and payable immediately.

IV. GENERAL PROVISIONS

14 The Parties agree that this Settlement reflects the settlement of all contested issues
between them in this proceeding. The Parties understand that this Settlement is not binding
unless and until accepted by the Commission.

15 The Parties agree that this Settlement promotes the public interest, and that it is
appropriate for unconditional Commission acceptance under WAC 480-07-750.

16 The Parties agree to cooperate in submitting this Settlement promptly to the Commission for acceptance. The Parties agree to support adoption of this Settlement in proceedings before the Commission through testimony or briefing. No party to this Settlement or their agents, employees, consultants, or attorneys will engage in advocacy contrary to the Commission's adoption of this Settlement.

17 The Parties agree to provide each other the right to review, in advance of publication, any announcement or news release that the Party intends to make about this Settlement. The right to review includes a reasonable opportunity to comment on and request changes to the text of such announcements or news releases.

18 Nothing in this Settlement shall limit or bar any other entity from pursuing legal remedies against the Company or the Company's ability to assert defenses to such claims.

19 The Parties have entered into this Settlement to avoid further expense, inconvenience, uncertainty, and delay of continuing litigation. The Parties recognize that this Settlement represents a compromise of the Parties' positions. As such, conduct, statements, and documents disclosed during negotiations of this Settlement shall not be admissible as evidence in this or any other proceeding, except in any proceeding to enforce the terms of this Settlement or any Commission order fully adopting those terms.

20 The Parties have negotiated this Settlement as an integrated document to be effective upon execution and Commission approval. This Settlement supersedes all prior oral and written agreements on issues addressed herein. Accordingly, the Parties recommend that the Commission adopt this Settlement in its entirety.

21 The Parties may execute this Settlement in counterparts and as executed shall constitute one agreement. Copies sent by facsimile or electronic mail are as effective as original documents.

22 The Parties shall take all actions necessary, as appropriate, to carry out this Settlement.

23 In the event that the Commission rejects or modifies any portion of this Settlement, each Party reserves the right to withdraw from this Settlement by written notice to the other Parties and the Commission. Written notice must be served within ten (10) business days of the Order rejecting part or all of this Settlement. In such event, no Party will be bound or prejudiced by the terms of this Settlement, and any Party shall be entitled to seek reconsideration of the Order.

24 Each person signing this Settlement warrants that he or she has authority to bind the Party that he or she represents.

Respectfully submitted this 1st day of September, 2015.

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

PELICAN POINT WATER COMPANY
AND JILL GOODRICH

ROBERT W. FERGUSON
Attorney General



CHRISTOPHER M. CASEY
Assistant Attorney General
Counsel for the Utilities and
Transportation Commission Staff

JEFFREY EARL
Counsel for Pelican Point Water Company
and Jill Goodrich

Dated: Sept. 7, 2015

Dated: _____, 2015

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Respectfully submitted this _____ day of September, 2015.

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

ROBERT W. FERGUSON
Attorney General

CHRISTOPHER M. CASEY
Assistant Attorney General
Counsel for the Utilities and
Transportation Commission Staff

Dated: _____, 2015

PELICAN POINT WATER COMPANY
AND JILL GOODRICH

Jill Goodrich



JEFFREY EARL
Counsel for Pelican Point Water Company
and Jill Goodrich

Dated: 9/1, 2015