Service Date: July 10, 2025

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

DOCKET TG-240933

Complainant,

ORDER 03

v.

Prieto Landscaping, LLC,

ORDER APPROVING SETTLEMENT

Respondent.

BACKGROUND

- Procedural Background. On March 28, 2025, Prieto Landscaping, LLC (Prieto or Company) was served by the Washington Utilities and Transportation Commission (Commission) with a complaint seeking penalties, and initiating a special proceeding. Prieto is a Washington limited liability company, UBI 604-342-711, conducting business in the state of Washington as a common carrier under Commission-issued permit CC071070. The Washington Secretary of State's records for limited liability corporations lists Rosalio Prieto as the Company's registered agent and governing person.
- The Commission convened a virtual prehearing conference on May 9, 2025, before Administrative Law Judge Bijan Hughes. On May 14, 2025, the Commission issued Orders 02, establishing a procedural schedule.
- On June 2, 2025, Commission staff (Staff)¹ informed the presiding officer that a settlement in principle had been reached among the parties. Later that day the presiding

¹ In formal proceedings such as this, the Commission's regulatory staff participates like any other party, while the Commissioners make the decision. To ensure fairness, the Commissioners, the presiding administrative law judge, and the Commissioners' policy and accounting advisors do not discuss the merits of this proceeding with the regulatory staff, or any other party, without giving notice and opportunity for all parties to participate. See RCW 34.05.455.

officer suspended the procedural schedule and set a settlement filing date of June 13, 2025.

- On June 11, 2025, the parties filed a Settlement Agreement (Settlement) and supporting testimony, which was agreed to by Staff and Prieto (Settling Parties). In the Settlement, the Settling Parties agree to (1) admission of violations, (2) classification as a solid waste collection company, (3) cease and desist operations beyond authority, (4) a monetary penalty, partially suspended and subject to a payment plan, and (5) four compliance reviews over a two-year period.
- The Public Counsel Unit of the Attorney General's Office (Public Counsel) did not sign on to the Settlement, but has not opposed the Settlement.
- 6 **PARTY REPRESENTATIVES.** Rosalio Prieto, appearing *pro se*, represents Prieto Landscaping, LLC. Josephine Strauss, Assistant Attorney General, Olympia, Washington, represents Staff.
- Settlement Agreement: The filed Settlement is agreed to by both Staff and Prieto. Staff witness Peters asserts that the Settlement is consistent with the public interest and should be approved.²
- The Settlement stipulates to the assessment of a \$147,000 fine against the Company, \$117,000 of which will be suspended and waived following a two-year period, from the date this Order becomes final, provided that the Company complies with the terms of the settlement. Following the finality of this Order, the Company will pay the \$30,000 portion of the penalty which is not suspended in 24 equal monthly installments. Staff will conduct compliance reviews of the Company every six months for a two-year period following the date this Order becomes final. Provided that the Company commits no further violations and pays the entire \$30,000 non-suspended portion of the penalty, the remaining \$117,000 will be waived. Further, the Settlement proposes to resolve the dispute of whether the Company is a solid waste collection company by issuing an order classifying Prieto as such.
- 9 Witness Peters provides support for the conditions and Settlement as outlined below.

DISCUSSION

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² Peters, Exh. SP-1T at 2:16-18.

- In considering settlement agreements, the Commission "may approve the settlement, with or without conditions, or may reject it." The Commission must "determine whether they comply with applicable legal requirements and whether approval of the agreements is consistent with the public interest." The Commission may approve a settlement "if it is lawful, supported by an appropriate record, and consistent with the public interest in light of all the information available to the commission."
- The Settling Parties' Settlement, attached to and made part of this Initial Order by this reference, would fully resolve the issues pending in this docket. The issues are limited to the appropriate classification of Prieto as a solid waste collection company, and the imposition of penalties for engaging in regulated activity without Commission authority.
- The Settlement suspends a majority of the penalty, \$117,000, for a two-year period. In that period, Prieto will (i) pay the remaining \$30,000 over twenty-four equal payments, (ii) abide by Commission regulations, and be subject to compliance reviews every sixmonths. Provided such conditions are met, at the conclusion of the time period, the suspended \$117,000 shall be waived. Staff posits, and we agree, this arrangement provides appropriate incentive for the Company to maintain future compliance.
- Further, Staff has reviewed the supporting records, and provided testimony supporting the Settlement. Specifically, Staff believes that the Settlement "strengthens regulatory enforcement, maintains fair competition in the industry, and ensures that waste management practices in Washington meet established safety, environmental, and legal standards," and therefore "is in the public interest."
- The Commission agrees the proposed conditions are necessary and in the public interest. Prieto is engaging in regulated activity, and should be subject to the same regulations as other market participants; clarifying Prieto's classification as a solid waste collection company enables the Commission to enforce its mandate. Prieto may not operate beyond its authority and will appropriately be put out of service if discovered to be engaged in business outside its certificate.

³ WAC 480-07-750(2).

⁴ WAC 480-07-740.

⁵ WAC 480-07-750(2).

⁶ Peters, Exh. SP-1T at 7:2-5.

- Staff also notes that the Settlement provides additional opportunities for Staff to provide technical assistance and "verify lawful operations." We agree.
- Staff explains that the proposed payment plan in the Settlement is appropriate:

Allowing Prieto to pay the unsuspended \$30,000 penalty in 24 equal monthly installments makes compliance more feasible while still holding the Company accountable. This approach ensures financial consequences for past violations without causing undue hardship that could lead to further non-compliance or bankrupting their otherwise legitimate landscaping operations.⁸

- 17 The Commission agrees the proposed suspension and payment plan are consistent with the public interest.
- Staff provides testimony that the Settlement is lawful, supported by the record, and in the public interest. Based on the testimony provided and our review of the Settlement, we find that the Settlement is lawful and in the public interest.
- The Commission finds that early resolution of the parties' dispute conserves valuable party and Commission resources that would otherwise be devoted to litigating Prieto's rate case.

FINDINGS AND CONCLUSIONS

- 20 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including water companies.
- 21 (2) Prieto is a common carrier and a public service company subject to Commission jurisdiction.
- 22 (3) The Commission filed a complaint proposing imposing a \$147,000 penalty for 147 violations of RCW 81.77.040.

⁷ Peters, Exh. SP-1T at 6:18-22.

⁸ Peters, Exh. SP-1T at 6:11-15.

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- On June 11, 2025, the parties filed a Settlement Agreement that, if approved, would resolve all pending issues in the proceeding and result in the imposition of a \$147,000 penalty, of which \$117,000 would be suspended and waived following a two-year period provided that Prieto complies with the terms of the Settlement.
- 24 (5) The Settlement, attached as Appendix A to this Order, and incorporated by reference, should be approved by the Commission as a reasonable resolution of the issues presented in this matter.
- The facts in the record describing Company's operations supports the Commission classifying Prieto as a solid waste collection company.
- 26 (7) Approval and adoption of the Settlement and the conditions contained therein is lawful, supported by an appropriate record, and is in the public interest.

ORDER

THE COMMISSION ORDERS:

- 27 (1) The Settlement filed by the parties on June 11, 2025, which is attached as Appendix A to this Order, is approved and adopted in full resolution of the issues in this proceeding.
- 28 (2) Prieto Landscaping, LLC is classified as a solid waste collection company, and will cease all unpermitted activity.
- 29 (3) Prieto Landscaping, LLC is assessed a \$147,000 fine, of which \$117,000 is suspended and waived after a two-year period provided that the Company complies with all of the terms of the Settlement. The remaining \$30,000 shall be paid over a two-year period in equal monthly payments, due on the first day of the first month following the effective date of the Settlement.
- 30 (4) Staff shall conduct compliance reviews of Prieto Landscaping, LLC consistent with the terms of the Settlement Agreement.
- The Commission Secretary is authorized to accept filings that comply with the requirements of this Order.

DATED at Lacey, Washington, July 10, 2025.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Bijan T. Hughes
BIJAN HUGHES
Administrative Law Judge

NOTICE TO PARTIES

This is an Initial Order. The action proposed in this Initial Order is not yet effective. If you disagree with this Initial Order and want the Commission to consider your comments, you must take specific action within the time limits outlined below. If you agree with this Initial Order, and you would like the Order to become final before the time limits expire, you may send a letter to the Commission, waiving your right to petition for administrative review.

WAC 480-07-610(7) provides that any party to this proceeding has twenty-one (21) days after the entry of this Initial Order to file a *Petition for Review*. What must be included in any Petition and other requirements for a Petition are stated in WAC 480-07-610(7)(b). WAC 480-07-610(7)(c) states that any party may file a *Response* to a Petition for review within seven (7) days after service of the Petition.

WAC 480-07-830 provides that before entry of a Final Order any party may file a Petition to Reopen a contested proceeding to permit receipt of evidence essential to a decision, but unavailable and not reasonably discoverable at the time of hearing, or for other good and sufficient cause. No Answer to a Petition to Reopen will be accepted for filing absent express notice by the Commission calling for such answer.

RCW 80.01.060(3) provides that an Initial Order will become final without further Commission action if no party seeks administrative review of the Initial Order and if the Commission fails to exercise administrative review on its own motion.

Any Petition or Response must be electronically filed through the Commission's web portal as required by WAC 480-07-140(5). Any Petition or Response filed must also be electronically served on each party of record as required by WAC 480-07-140(1)(b).

APPENDIX A Settlement Agreement