



STATE OF WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY (360) 586-8203

November 17, 2017

Steven V. King, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Dr. SW  
P. O. Box 47250  
Olympia, Washington 98504-7250

RE: *Washington Utilities and Transportation Commission v. Newwaukum Water System*  
Commission Staff's Request to Waive Penalty and Close Dockets  
Docket UW-144112  
Docket UW-150045

Dear Mr. King:

On December 19, 2014, the Washington Utilities and Transportation Commission (Commission) issued a Penalty Assessment in Docket UW-144112 in the amount of \$1,000 against Newwaukum Water System, Inc. (Newwaukum or Company) alleging that the Company improperly charged customers a rate higher than the rate published in its tariff in violation of RCW 80.28.080. On January 5, 2015, Newwaukum filed a request for hearing. On January 9, the Commission issued a notice of a brief adjudicative proceeding set for February 11, 2015.

On January 13, 2015, the Commission issued a Penalty Assessment in Docket UW-150045 against Newwaukum in the amount of \$2,200, alleging additional and continuing violations of RCW 80.28.080. On January 27, 2015, Newwaukum filed a request for hearing. On January 28, the Commission issued a notice of brief adjudicative proceeding, also set for February 11, 2015.

On February 18, 2015, the Commission approved a settlement agreement involving these two dockets. In the agreement, Newwaukum admitted the violations and agreed to issue credits to the affected customers. The parties also agreed that the Commission should assess a penalty of \$100 for each violation alleged in the Penalty Assessments, for a total penalty of \$3,200, and should suspend the entire amount of the penalty for a period of twelve months on the condition that Newwaukum incurred no repeat violations of RCW 80.28.080 and credits its customers as required. Should Newwaukum fail to issue any credits, the full penalty of \$3,200 would immediately become due and payable. After twelve months, if Newwaukum Water System, Inc.

Steven King  
November 17, 2017  
Page 2

has complied with RCW 80.28.080 and the terms of the Settlement Agreement, the Commission would waive the penalty.

On March 6, 2017, Newaukum filed a Petition for De-regulation (Petition). The Company recently reduced its monthly customer charges below the jurisdictional threshold of \$557 in average annual revenue per customer. The reduced rates became effective on March 1, 2017. The Company serves 23 customers near Auburn in King County. The Commission approved Newaukum's Petition on March 29, 2017.

Because Newaukum satisfied the requirements of the settlement agreement and is no longer a regulated water system, staff requests the Commission close dockets UW-144112 and UW-150045.

If you have any questions, please contact Mike Turcott, Compliance Investigations Supervisor, Consumer Protection, at 360-664-1174, or by e-mail at [miturcot@utc.wa.gov](mailto:miturcot@utc.wa.gov).

Sincerely,



Bridgit Feeser  
Assistant Director, Transportation Safety