BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,)) DOCKET NO. TE-061753)
Complainant,))) NARRATIVE SUPPORTING) SETTLEMENT AGREEMENT
GENIE SERVICE COMPANY, INC.,))
Respondent.))

I. INTRODUCTION

This Narrative Supporting Settlement Agreement (Narrative) is filed pursuant to WAC 480-07-740(2)(a) on behalf of both Genie Service Company, Inc., (Genie) and the Staff of the Utilities and Transportation Commission (Staff). Both parties have signed the Settlement Agreement (Agreement), which is being filed concurrently with this Narrative. This Narrative summarizes the Agreement. It is not intended to modify any terms of the Agreement.

II. PROPOSALS FOR REVIEW PROCEDURE

The parties submit that this matter is considerably less complex than a general rate proceeding and request that review proceed on a timetable for less complex matters, as provided in WAC 480-07-740(1)(b). To the knowledge of either party, there are no opponents of the settlement. Because of the less complex nature of the matter and the

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uncontested status of the settlement, the parties suggest that a formal settlement hearing along with the opportunity for public comment are unnecessary in this case.

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The parties do not intend to file documentation supporting the Agreement, with the exception of the Agreement itself and this Narrative. If the Commission requires supporting documents beyond the Agreement, Narrative, and the other documents on file in this docket, the parties will provide documentation as needed.

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In keeping with WAC 480-07-740(2)(b), the parties are prepared to present one or more witnesses each to testify in support of the proposal and answer questions concerning the settlement agreement's details, and its costs and benefits, should such testimony be required. In addition, both Staff counsel and Genie's chief financial officer are available to respond to any questions regarding the proposed settlement that the Commission may have.

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The parties request a streamlined review of the proposed settlement. To that end, the parties waive entry of an initial order, so that the record can be submitted directly to the Commissioners. Finally, the parties would prefer an informal review on a paper record. In accordance with WAC 480-07-730, the parties propose the foregoing procedural alternatives for review of the proposed settlement agreement.

III. SCOPE OF THE UNDERLYING DISPUTE

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The underlying dispute concerns penalties assessed by the Commission against Genie. In September of 2006, Motor Carrier Staff conducted a safety and compliance review of Genie. Staff found violations of Commission rules, including rules that adopt federal motor carrier rules.

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Genie filed an application for mitigation of the penalties and requested a hearing. At the Commission's request, Genie then filed a statement of reasons in support of its application for mitigation. Staff responded, opposing any mitigation. Subsequently, the parties negotiated and reached a full settlement of the dispute.

IV. DESCRIPTION OF PROPOSED SETTLEMENT

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The settlement resolves all of the issues in dispute. Genie admits to all of the violations and pledges future compliance. The settlement reduces the penalty amount from \$1,400 to \$700 and provides for payment of the penalty in installments over five months.

V. STATEMENT OF PARTIES' INTERESTS AND THE PUBLIC INTEREST

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As stated in the Settlement Agreement, the settlement represents a compromise of the positions of the two parties. The parties find it is in their best interests to avoid the uncertainty expense, inconvenience, uncertainty, and delay inherent in a litigated outcome. Likewise, it is in the public interest that this dispute conclude without the further expenditure of public resources on litigation expenses.

VI. LEGAL POINTS THAT BEAR ON PROPOSED SETTLEMENT

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In WAC 480-07-700, the Commission expresses its support for parties' informal efforts to resolve disputes without the need for contested hearings when doing so is lawful and consistent with the public interest. The parties have resolved all of the issues in dispute between them, and their resolution complies with Commission rules and, as explained above, is consistent with the public interest.

VII. CONCLUSION

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Because the parties have negotiated a compromise on all of the issues in this dispute and because the settlement is in the public interest, both parties request that the Commission approve the attached Settlement Agreement.

Respectfully submitted this Haday of February, 2007.

ROBERT M. MCKENNA Attorney General

JENNIFER CAMERON-RULKOWSKI

Assistant Attorney General

Counsel for the Washington Utilities and

Transportation Commission

DAN CARTER
Chief Financial Officer

Genie Service Company, Inc.

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2/14/2007

VII. CONCLUSION

Because the parties have negotiated a compromise on all of the issues in this dispute and because the settlement is in the public interest, both parties request that the Commission approve the attached Settlement Agreement.

Respectfully submitted this ___ day of February, 2007.

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