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On December 1, 2007, the Commission issued a Notice of Penalties Incurred and Due for Violations of Laws and Rules against Genie. In the Notice, the Commission assessed penalties for violations as follows:

- Two violations of 49 CFR, part 391.51(b)(2), failing to maintain inquiries into driver's driving record in driver's qualification file (critical violation);
- Seven violations of 49 CFR, part 395.8(a), failing to require a driver to make a record of duty status (critical violations);
- Two violations of 49 CFR, part 395.5(a)(1), requiring or permitting a passenger-carrying commercial motor vehicle driver to drive more than 10 hours;
- One violation of 49 CFR, part 395.5(b)(2), requiring or permitting a passenger-carrying commercial motor vehicle driver to drive after being on duty more than 70 hours in eight consecutive days;
- One violation of 49 CFR, part 396.3(a)(1), failing to inspect and maintain vehicle to ensure safe and proper operating condition;
- One violation of WAC 480-30-041, failing to notify the Commission of a change in address and telephone number within 30 days.

The penalties totaled \$1,400.

III. AGREEMENT

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The Parties have reached agreement on the issues raised in the above docket and wish to present their agreement for the Commission's consideration and approval. The Parties, therefore, adopt the following Settlement Agreement, which the Parties enter into voluntarily to resolve the matters in dispute between them and to expedite the orderly disposition of this proceeding.

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Genie admits to all of the violations enumerated in the penalty assessment. The Parties agree that Genie will pay to the Commission penalties totaling \$700 (seven hundred dollars).

7 The amount shall be ordered due and payable in 5 monthly installments beginning the first day of the first month after the Commission issues its order approving this Settlement Agreement. Each installment shall be due and payable on the first of each month, with a five-day grace period. If Genie fails to timely make any payment, the full remaining balance will be due and payable within 10 days. The amount of the first four installments shall be \$150. The final installment shall be \$100.

8 The Parties agree that Genie will comply with all applicable Commission rules and statutes, including those set forth in the enumerated list of violations and penalties above. This Agreement does not preclude the Commission from pursuing penalties for violations of Commission rules and statutes unrelated to the subject matter of this Agreement or for subsequent violations of the rules and statutes stated above.

IV. GENERAL PROVISIONS

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

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

11 The Parties agree 1) to provide each other the right to review in advance of
publication any and all announcements or news releases that the other party intends to make
about the Agreement (with the right of review to include a reasonable opportunity to request
changes to the text of such announcements), and 2) to include in any news release or
announcement a statement that Commission Staff's recommendation to approve the
settlement is not binding on the Commission itself.

12 Nothing in this Agreement shall limit or bar any other entity from pursuing legal
remedies against Genie or Genie's ability to assert defenses to such claims.

13 The Parties have entered into this Agreement to avoid further expense,
inconvenience, uncertainty, and delay. The Parties recognize that this Agreement represents
a compromise of the Parties' positions. As such, conduct, statements, and documents
disclosed during negotiations of this Agreement shall not be admissible as evidence in this
or any other proceeding, except in any proceeding to enforce the terms of this Agreement or
any Commission order fully adopting those terms. This Agreement shall not be construed
against either party because it was a drafter of this Agreement.

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

15 The Parties may execute this Agreement in counterparts and as executed shall
constitute one agreement. Copies sent by facsimile are as effective as original documents.


16 The Parties shall take all actions necessary as appropriate to carry out this
Agreement.

In the event that the Commission rejects all or any portion of this Agreement, each party reserves the right to withdraw from this Agreement by written notice to the other party and the Commission. Written notice must be served within 10 days of the Order rejecting part or all of this Agreement. In such event, neither party will be bound or prejudiced by the terms of this Agreement, and either party shall be entitled to seek reconsideration of the Order. Additionally, the Parties will jointly request that a hearing be scheduled in order to complete the case.

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

GENIE SERVICE COMPANY, INC.

ROBERT M. MCKENNA
Attorney General


JENNIFER CAMERON-RULKOWSKI
Assistant Attorney General
Counsel for the Utilities and
Transportation Commission

DAN CARTER
Chief Financial Officer

Dated: _____, 2007.

Dated: February 9, 2007.

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Chief Financial Officer

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