



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

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June 6, 2018

Mark Johnson, Executive Director and Secretary
Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P.O. Box 47250
Olympia, WA 98504-7250

RE: Docket UW-140820, *In the Matter of the Penalty Assessment against Maria K. Lindberg in the Amount of \$14,600*

Docket UW-141301, *In the Matter of Cristalina, LLC Joint Application for an Order Approving Sale and Transfer of Assets and Removal of Cristalina, LLC from Regulation,*

Dear Mr. Johnson:

On May 28, 2009, the Utilities and Transportation Commission (Commission) entered Order 01, in Docket 090516, which approved a tariff surcharge for Cristalina LLC (Cristalina) to service a \$555,000 Drinking Water State Revolving Fund loan. Order 01 stated, among other requirements, that Cristalina must track surcharge activity, and file reports with the Commission regarding transactions and balances relating to surcharge revenue no later than 45 days after the end of each calendar quarter.

Approximately four years later, on October 29, 2013, the Commission initiated an investigation into Cristalina for failure to comply with a commission order. Then, on May 21, 2014, the Commission issued a complaint and order against the company setting for hearing allegations of violations of condition listed in Commission Order No. 01, Docket UW-090516. On the same day, the Commission issued a penalty assessment against Ms. Maria K. Lindberg for the amount of \$14,600 for violations of RCW 80.04.405 which included:

- Sixty-four violations of Condition (8)(d) listed in Commission Order No. 01 in Docket UW-090516 relating to the second quarter 2013 report.
- Eighty-two (82) violations of Condition (8)(d) listed in Commission Order No. 01 in Docket UW-090516 relating to the fourth quarter 2013 report.

On September 23, 2014, the Commission issued a consolidated Order 02 in Docket UW-141301, and Order 03 in Docket UW-090516 approving the Sale and Transfer of Assets from Cristalina LLC, to Washington Water Service Company, dismissing the complaint against Cristalina in Docket UW-132013, and mitigating the penalty assessment against Maria K. Lindberg under the following conditions:

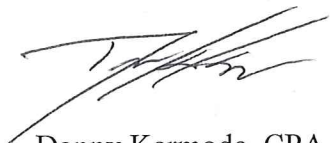
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- a. Maria K. Lindberg continue to segregate funds collected through the customer surcharges authorized in Order 01 in Docket UW-090516 until the transfer of assets to Washington Water Service Company closes and remit those funds to the Public Works Board, or to Washington Water Service Company to be submitted to the Public Works Board, by the October 2014, installment due date for payment toward the outstanding balance owed on the State Revolving Fund Loan;
- b. Maria K. Lindberg pay \$12,700 to Washington Water Service Company within three years from the date of September 23, 2014;
- c. Washington Water Service Company and Maria K. Lindberg must file a certification, under oath, with the Commission by October 1 each year for the next three years stating the amount Ms. Lindberg has paid and that she is current on her payment obligations; and
- d. If Maria K. Lindberg does not remain current on her payment obligation to Washington Water Service Company or does not pay the entirety of the \$12,700 by October 1, 2017, the entire \$14,600 penalty will be immediately due and payable;

Although on February 2, 2016, Maria K Lindberg made one payment of \$1,500 to Washington Water Service Company, she has not stayed current on her payment obligation and has failed to make the total payments within the required time period, October 1, 2017.

Because of the failure to comply with the requirements set out in the Commission's order, Docket UW-141301, Staff requests the full \$14,600 penalty be reinstated for violating a commission order. In addition, Staff recommends the Commission aggressively pursue collection of the penalty because of Ms. Lindberg's continued blatant disregard of Commission orders.

Sincerely,



Danny Kermod, CPA
Assistant Director, Regulatory Services – Water & Transportation