

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

PENALTY ASSESSMENT UW-140840

PLEASE NOTE: You must complete and sign this document, and send it to the Commission within 15 days after you receive the penalty assessment. Use additional paper if needed.

I have read and understand RCW 9A.72.020 (printed below), which states that making false statements under oath is a class B felony. I am over the age of 18, am competent to testify to the matters set forth below and I have personal knowledge of those matters. I hereby make, under oath, the following statements.

[ ] 1. Payment of penalty. I admit that the violations occurred. I have:

[ ] Enclosed \$ \_\_\_\_\_ in payment of the penalty

[ ] Submitted my payment of \$ \_\_\_\_\_ online at www.utc.wa.gov. My confirmation number is \_\_\_\_\_.

[ ] 2. Request for a hearing. I believe that one or more of the alleged violations did not occur, for the reasons I describe below, and I request a hearing based on those reasons for a decision by an administrative law judge:

X] 3. Application for mitigation. I admit the violations, but I believe that the penalty should be reduced for the reasons set out below:

*See attached*


[ ] a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision

OR X] b) I ask for a Commission decision based solely on the information I provide above.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing, including information I have presented on any attachments, is true and correct.

Dated: 6/10/14 [month/day/year], at Bellingham, WA [city, state]

Cristalnia LLC  
Name of Respondent (company) – please print

  
Signature of Applicant

RCW 9A.72.020:

“Perjury in the first degree. (1) A person is guilty of perjury in the first degree if in any official proceeding he makes a materially false statement which he knows to be false under an oath required or authorized by law. (2) Knowledge of the materiality of the statement is not an element of this crime, and the actor’s mistaken belief that his statement was not material is not a defense to a prosecution under this section. (3) Perjury in the first degree is a class B felony.”

The 2013 report is attached to this letter.

Cristalina has been working on the transfer of the water system since late 2013. There have been complaints and bookkeeping issues that had to be resolved since the dismissal of Stephanie Opsteeph the previous bookkeeper in order to prepare this report.

Cristalina has run at a deficit for some times costing the owner a painful amount of time and money. Due to the extensive amount of reporting required by the UTC and customer complaints this report deadline was missed by accident despite having been given notice by the UTC previously. There are only two people working on the Cristalina accounts and both have been working part time due to limited funds.

It is requested that the UTC will forgive the fine and concentrate on approving the transfer of this company to Washington Water. Cristalina in turn has written a check to the UTC and included the late fee penalty and interest per the regulatory calculation schedule.

**CLASS C - WATER COMPANIES  
2013  
ANNUAL REPORT**

FOR

Cristalina LLC

(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

P.O. Box 4055

(OFFICIAL MAILING ADDRESS)

Bellingham

(CITY)

WA

(STATE)

98225

(ZIP)

Please check if address listed above is an updated address

**Report Year Ended: December 31, 2013**

Inquiries concerning this Annual Report should be addressed to:

Name/Title: Maria Lindberg  
Address: 1200 Old Fairhaven Pkwy  
City: Bellingham  
State/Zip: WA  
Telephone: 360 739 6789  
Email: maria\_realtor@gmail.com

SUBMIT TO:  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION  
PO Box 47250  
Olympia, WA 98504-7250

File online: [www.utc.wa.gov](http://www.utc.wa.gov)

WASHINGTON



UTILITIES AND TRANSPORTATION  
COMMISSION

**REPORT MUST BE RECEIVED NO LATER THAN MAY 1, 2014**

\*\*\*Please refer to the Instructions for Completing the Annual Report on Page 2\*\*\*

## **INSTRUCTIONS FOR ANNUAL REPORT COMPLETION**

### ***Commission Authority***

The purpose of this form is to collect financial and operational information from water companies regulated by the Washington Utilities and Transportation Commission (UTC). The commission's authority for requiring this report is found in RCW 80.04.080. This report is a non-confidential public use form.

### ***Certification***

The Annual Report Certification must be signed by an authorized officer, partner or owner.

### ***Regulatory Fees***

Regulatory fees are set by commission order A-140166.

### ***Deadlines and Penalties***

All water companies regulated by the UTC are required to complete this form, including all schedules. Failure to complete all schedules will result in the report being considered incomplete and subject to penalties. Completed forms and regulatory fee payments must be received by the UTC no later than **May 1, 2014**. Failure to file the annual report by the above deadline will result in a financial penalty of \$100 for each business day after May 1. Failure to pay the regulatory fees by the above deadline will result in a 2 percent penalty on the amount due and a 1 percent monthly interest charge on the unpaid balance.

### ***Extension Requests***

You may file a written request for an extension to file the completed annual report; however, the commission will not extend the deadline for paying regulatory fees. Any extension request must be filed with the commission by April 17, 2014, and must state a valid reason for why the extension is needed and identify a specific date which the report will be filed with the commission. The commission will notify you by April 24 whether your request is approved or denied. Even if your request is approved, you will still be liable for penalties and interest payments if you fail to pay your regulatory fees by May 1. To file your extension request online visit:

<http://www.utc.wa.gov/docs/Pages/ElectronicFiling.aspx>

### ***Confidential Status***

Water companies may file annual reports as confidential. You must follow the steps for filing confidential documents in WAC 480-07-160. The regulatory fee sheet portion of your report is not a confidential document and will not be accorded confidential treatment under the rule.

To view the confidential requirements in WAC 480-07-160, please visit the following site:

[apps.leg.wa.gov/WAC/default.aspx?cite=480-07-160](http://apps.leg.wa.gov/WAC/default.aspx?cite=480-07-160)

### ***Electronic Filing and Payment***

To obtain an electronic format of the report, submit a report online or pay your regulatory fees online visit:

[www.utc.wa.gov/regulateindustries/pages/annualreports](http://www.utc.wa.gov/regulateindustries/pages/annualreports)

### ***Staff Contact***

Rae Lynn Carnes at (360) 664-1152 or [rcarnes@utc.wa.gov](mailto:rcarnes@utc.wa.gov)

TTY Toll-Free phone number 1-800-416-5289

# ANNUAL REPORT CERTIFICATION

(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)

Person who prepared this report: Tonya Farmer  
Title: Accountant  
Telephone: 206 390 2370  
Principal Business Address: 1200 Old Fairhaven Pkwy, Ste 106  
City: Bellingham State: WA Zip: 98225

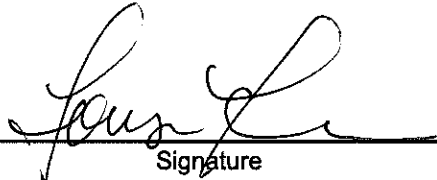
I, the undersigned Tonya M. Farmer  
Responsible Account Officer (Please Print)

of Cristalina, LLC  
Name of Company

have examined the foregoing report; that, to the best of my knowledge and belief, all statement of fact contained in said report are true and said report is a correct statement of the business and affairs of the above-names respondent in respect to each and every matter set forth therein during the period from January 1, 2013, to December 31, 2013, inclusive.

Accountant  
Title  
(please print)

206 390 2370  
Telephone Number

  
Signature  
(please type if filing electronically)

6/12/2014  
Date

## COMPANY INFORMATION

Cristalina Water

(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

**Washington Unified Business Identifier (UBI) No.:** 602 035 464  
*(If you do not know your UBI No. please contact Business Licensing Service at 1-800-451-7985 or BLS@dor.wa.gov)*

**Business Structure (please check the appropriate designation):**

Individual / Sole Proprietor  
  Partnership  
  Other (LP, LLP, LLC)  
  Corporation  
  Nonprofit Corporation

Telephone Number: 360 296 7321                      Fax Number: 360 594 4211

E-Mail or Web Address: Cristalinawater@gmail.com

Date Utility First Organized: 02/22/2002

Location of Books & Records: \* 1200 old Fairhaven Pkwy Ste. 106

City: Bellingham                      State: WA                      Zip: 98225

Method of Accounting:     Cash     Accrual                      \*temporarily held at auditing office

Certificate Number: \_\_\_\_\_

## PERSONNEL AND OWNERSHIP

Title	Name	% Owner	Principal Business Address	Phone #
Certified Water Manager	Northwest Water Systems		PO Box 123 Port Orchard, WA 98366	888 881-0958
Emergency Response Personnel	- same as above )			
Owners: Report every person owning 5 percent or more of the company.	Alvaria Lindberg	100%	1200 old Fairhaven Pkwy 106 Bellingham, WA 98225	360 296 7321 360 739 6789

## INCOME STATEMENT

(For the Calendar Year 2013)

Line (L)	Account Name (b)	Water (c)	Other (d)	Total Company (c)+(d) = (e)
		<b>Revenues</b>		
1	Operating Revenue Accounts	36,415.90	31,195.45	\$ 67,611.35 -
2	Misc. Revenue Accounts			\$ -
3	Other Revenue Accounts			\$ -
4	<i>Utility Operating Revenue (Add L1 thru L3)</i>	<u>\$ 36,415.90 -</u>	<u>\$ 31,195.45</u>	<u>\$ 67,611.35 -</u>
		<b>Expenses</b>		
5	Operating Expense Accounts	97,438.55		\$ 97,438.55 -
6	Depreciation Expense	39,207		\$ 39,207 -
7	Federal Income Taxes			\$ -
8	<i>Utility Operating Expense (Add L5 to L7)</i>	<u>\$ 136,645.55</u>	\$ -	<u>\$ 136,645.55 -</u>
9	<i>Utility Operating Income (Loss) (L4 minus L8)</i>	<u>\$ (100,229.65)</u>	<u>\$ 31,195.45</u>	<u>\$ 69,034.20</u>
<b>Other Income and Deductions</b>				
<b>Other Income:</b>				
10	Interest & Dividend Income	33.13		\$ 33.13 -
11	Miscellaneous Nonutility Income			\$ -
12	<i>Total Other Income (Add L10 thru L11)</i>	<u>\$ 33.13 -</u>	\$ -	<u>\$ 33.13 -</u>
<b>Other Deductions</b>				
13	Interest Expense			\$ -
14	Miscellaneous Nonutility Expenses	6,599.34		\$ 6,559.21 -
15	<i>Total Other Deductions (Add L13 thru L14)</i>	<u>\$ 6,599.34 -</u>	\$ -	<u>\$ 6,559.21 -</u>
16	<b>Net Income (Loss) (Add L9 plus L12 minus L15)</b>	<u>\$ (106,788.86)</u>	<u>\$ 31,195.45</u>	<u>\$ (75,593.41)</u>

## CUSTOMER COUNT SUMMARY

Description (a)	Number at Beginning of Year (b)	New Services (c)	Number at End of Year (d)	Temporary (e)
1	Total Unmetered			
2	Total Metered			
3	Total Served from Master Meter			
4	Total Customers	0	0	0

**BALANCE SHEET  
TOTAL COMPANY**

Line No. (L)	Account Names (b)	2013 Current Year (c)
<b>Assets:</b>		
1	Utility Plant	508,982.10
2	Less: Accumulated Depreciation	(117,621.00)
3	Accumulated Amortization	
4	Utility Plant Acquisition Adjustment	
5	<b>Net Utility Plant</b> (Add L1 thru L4)	\$ 391,361.10 -
6	Special Funds (Surcharges, Facility Charges)	15,426.06
7	Cash	3,507.56
8	Customer Accounts Receivable	50,825.37
9	Other Assets (specify)	
10	<b>Total Assets</b> (Add L5, plus L6 thru L9)	\$ 461,120.09 -
<b>Equity Capital and Liabilities</b>		
11	Capital Stock Issued	-
12	Other Paid In Capital	95,478.74
13	Retained Earnings	(199,097.53)
14	Proprietary Capital	
15	<b>Total Equity Capital</b> (Add L11 thru L14)	\$ (103,618.79) -
	Interest Rate:	
16	Long-Term Debt	497,026.32
17	Accounts Payable	47,091.01
18	Current Debt	20,621.56
19	Contributions in Aid of Construction (CIAC)	
20	Less: Accumulated Amortization of CIAC	
21	Other Liabilities (Specify)	
22	<b>Total Liabilities</b> (Add L16 thru L21)	\$ 564,738.88 -
23	<b>Total Equity, Capital and Liabilities</b> (Add L15 and L22)	\$ 461,120.09 -

Note: Line 10 should equal Line 23

**WATER & EMPLOYEE SUMMARY**

WATER SUMMARY		EMPLOYEE SUMMARY	
Annual Water	Cubic Feet	2012	2013
Purchased or Ground Water			
Loss or Wastage			
Sold to Customers		Full Time Count	Full Time Count
Conversion: 1 cubic foot = 7.48 gallons		Part Time Count	Part Time Count



**CONTRIBUTIONS IN AID OF CONSTRUCTION  
(CIAC)**

Report below all plant, equipment, and monies received during the year. Please report for each type of charge the company has. If needed, use additional sheets.

Line No.	Column (a)	Column (b)	Column (c)	Column (d)
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**SURCHARGE**

1	Docket Number	<u>UW - 090516</u>		
2	Date Authorized	<u>June '09</u>	Monthly Rate	<u>32.</u>
3	Date Expires	<u>June '29</u>	Original Loan	<u>555,500</u>
4	Current Year Collected		Remaining Loan	<u>497,026.32</u>
5	Current Year Collection Amount			

**FACILITIES CHARGE**

6	Docket Number	_____		
7	Date Authorized	_____	Rate	_____
8	Date Expires	_____	Original Loan	_____
9	Current Year Collected	_____	Remaining Loan	_____
10	Current Year Collection Amount	_____		

**SERVICE CONNECTION**

11	Docket Number	_____		
12	Date Authorized	_____	Rate	_____
13	Date Expires	_____	Original Loan	_____
14	Current Year Collected	_____	Remaining Loan	_____
15	Current Year Collection Amount	_____		
	Other Current Year Collection	_____		
16	Amounts (contract, loan defaults)	_____		
17	<b>Annual Total CIAC Collected</b>	<u>\$ _____</u>		

(Add L5b, L10b, L15b, L16b)

**Typical Average Service Lives  
Salvage Rates, and Depreciation Rates  
Water Utilities**

NARUC (1996) Account Numbers Class		<u>Class of Plant</u>	Average Service Lives Years	Net Salvage Percent	Depreciation Rate Range	
A	B	Source of Supply Plant	**	%	Short	Long
301		Organization	XXX		XXX	XXX
302		Franchises	XXX		XXX	XXX
303		Land and Water Rights	XXX		XXX	XXX
304		Structures and Improvements	35-40		2.86%	2.50%
305		Collect. and Impounding Res.	50-75		2.00%	1.33%
306		Lake, River and Other Intakes	35-45		2.76%	2.22%
307		Wells and Springs	25-35		4.00%	2.86%
308		Infiltration Galleries and Tunnels	25-50		4.00%	2.00%
309		Supply Mains	50-75		2.00%	1.33%
310		Power Generation Equipment	10-15		10.00%	6.67%
<u>Pumping Plant</u>						
304		Structures and Improvements	35-40		2.86%	2.50%
311		Pumping Equipment	20			5.00%
311		Other Pumping Plant	25			4.00%
<u>Water Treatment Plant</u>						
304		Structures and Improvements	35-40		2.86%	2.50%
320		Water Treatment Equipment	20-35		5.00%	2.86%
<u>Transmission and Distribution Plant</u>						
304		Structures and Improvements	35-40		2.86%	2.50%
330		Distribution Reservoirs and Tanks	30-60		3.33%	1.67%
331		Trans. and Dist. Mains	50-75		2.00%	1.33%
331		Fire Mains	50-75		2.00%	1.33%
333		Service Connections	30-50		3.33%	2.00%
334		Meters	20-25	10	5.00%	4.00%
334		Meter Installations	40-60		2.50%	1.67%
335		Hydrants	40-60	5	2.50%	1.67%
<u>General Plant</u>						
304		Structures and Improvements	35-40		2.86%	2.50%
339		Other Plant	40-60		2.50%	1.67%
340		Office Furniture and Equipment	20-25	5	5.00%	4.00%
341		Transportation Equipment	7	10		14.30%
342		Stores and Equipment	20			5.00%
343		Tools, Shop and Garage Equip.	15-20	5	6.67%	5.00%
344		Laboratory Equipment	15-20		6.67%	5.00%
345		Power Operated Equipment	10-15	10	10.00%	6.67%
346		Communication Equipment	10	10		10.00%
347		Miscellaneous Equipment	10	10		10.00%
348		Other Plant Assets	10	10		10.00%
348		Water System Plan	6	10		16.67%

\*\* These lives are intended as a guide; longer or shorter lives should be used if experience shows it is warranted.

**REGULATORY FEE CALCULATION SCHEDULE**

**Due May 1, 2014**

Company Name Cristaline

Annual Report Year  
**2013**

In accordance with RCW 80.24.010 "Regulatory Fees", the Commission requires Water companies to file reports of gross intrastate operating revenue and pay fees on that revenue. Every company subject to regulation shall file with the Commission a statement under oath showing its gross intrastate revenue for the preceding year and pay to the Commission a fee as instructed below.

**Regulatory Fee Calculations**

1 Total Gross Intrastate Operating Revenue**	<u>67,611.35</u>
2 Less Non Fee-Paying Revenue (Include details on separate page for non-paying revenue)	
3 Balance-Adjusted Gross Intrastate Operating Revenue (Line 1 minus Line 2)	<u>\$67,611.35</u>
4a If Line 3 is <b>UNDER</b> \$20,000, enter <b>ZERO</b> (Skip to Line 5)	
4b If Line 3 is <b>OVER</b> \$20,000 enter amount from Line 3	<u>67,611.35</u>
4c First \$50,000 is subject to .1% regulatory fee	<u>50,000</u> x 0.001 \$ <u>50.00</u>
4d Remainder of gross intrastate revenue subject to .2% (Line 4b minus Line 4c)	<u>17,611.35</u> x 0.002 \$ <u>35.22</u>
5 Total Regulatory Fees owed (enter Line 4a, or add 4c and 4d)	<u>85.22</u>

*Agency Use Only* 001-111-0268-160-01

**Penalty & Interest Calculations**

6 Penalties on Regulatory Fees being paid after <b>May 1</b>	
6a Total Penalties on Regulatory Fees owed (enter amount from Line 5 x 2%)	<u>85.22</u> x 0.02 \$ <u>1.70</u>
7 Interest on Regulatory Fees being paid after <b>May 31</b>	
7a Amount from Line 5 x Number of months past May 31 x 1%	<u>85.22</u> x <u>1</u> x 0.01 \$ <u>.85</u>
8 Total Penalties and Interest owed (Line 6a plus Line 7a)	<u>\$2.55</u>
9 Total Regulatory, Penalties and Interest Fees Due (Line 5 plus Line 8)	<u>\$87.77</u>

*Agency Use Only* 001-111-0268-160-11

**\*\*Note:** Gross Washington intrastate operating revenue is defined as all revenue collected for the year from rates under tariffs, and contracts on file at the Washington Utilities and Transportation Commission. The revenues subject to the commission's regulatory fees are gross Washington intrastate operating revenues before deductions for uncollectibles, unbillables or the payment of state and federal taxes, i.e. "Gross Revenues" means before any deductions from Revenue Receipts.

**COMMISSION USE ONLY**

Reception #:	_____	001-111-0268-160-01	_____
Reference:	<u>AR2013</u>	001-111-0268-160-11	_____
Payment ID:	_____	001-111-0268-032-20	_____
		Total Paid:	_____

**PAYMENT INFORMATION**

TYPE OF PAYMENT - DO NOT SEND CASH IN THE MAIL

Check / Money Order

Online Payment      Confirmation Number: \_\_\_\_\_

Credit Card      Card Type: \_\_\_\_\_

CC# 

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Exp Date - MM/YYYY: \_\_\_\_\_

CERTIFICATION: I, the undersigned, under penalty for false statement, certify that the information is true, valid and correct, that I am authorized to execute on behalf of the applicant, and that I agree to pay the total amount due as shown on the regulatory fee calculation schedule according to the card issuer agreement.

Name:         Tonya Faedmer        

Title:         Accountant        

Signature         *[Signature]*        

Date:         6/12/2014        

**END OF REPORT**