



STATE OF WASHINGTON  
**UTILITIES AND TRANSPORTATION COMMISSION**  
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August 3, 2016

**NOTICE WITHDRAWING PENALTY**

RE: South Bainbridge Water System, Inc., Commission Staff's Request to Rescind Penalty Assessment  
Docket UW-160534

TO ALL PARTIES:

On June 13, 2016, the Washington Utilities and Transportation Commission (Commission) issued and served a Penalty Assessment against South Bainbridge Water System, Inc. (South Bainbridge or Company) in the amount of \$1,000, alleging violations of WAC 480-110-505, which requires water companies to file annual reports and pay regulatory fees by May 1 each year.

On July 27, 2016, Commission staff (Staff) filed with the Commission a Request to Rescind the Penalty Assessment. Staff explained that South Bainbridge was acquired by the Kitsap Public Utility District on August 31, 2015. Because the Company is no longer regulated by the Commission, Staff recommends the Commission withdraw the penalty.

The Commission's primary objective in any enforcement action is to ensure compliance with a company's legal obligations; penalties both punish noncompliance and provide an incentive to comply in the future. The assessed penalty would further neither of these goals if the company is no longer regulated by the Commission. The Commission therefore withdraws the penalty assessed against South Bainbridge Water System, Inc.

**THE COMMISSION GIVES NOTICE that the penalty of \$1,000 assessed against South Bainbridge Water System, Inc. is withdrawn and Docket UW-160534 is closed.**

GREGORY J. KOPTA

Director, Administrative Law Division