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APR - 9 2019 WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASH. UT. & TP. COMM

**NOTICE OF PENALTIES INCURRED AND DUE
FOR VIOLATIONS OF LAWS AND RULES**

PENALTY ASSESSMENT: DG-190062

PENALTY AMOUNT: \$2,000

Investigation #7934

RECEIVED MAR 25 2019

Nels Homola
Rotschy, Inc.
9210 NE 62nd Ave
Vancouver, WA 98665

UBI: 601-099-290
Phone: 360-334-3100

The Washington Utilities and Transportation Commission (Commission) believes that you have violated Revised Code of Washington (RCW) 19.122.030(6)(c) by failing to request an updated dig ticket prior to continuing excavation and damaging an underground natural gas facility. RCW 19.122.055 states, in part, that any excavator who fails to notify a one-number locator service and subsequently causes damage to a hazardous liquid or gas facility is subject to a civil penalty of not more than \$10,000 for each violation.

Commission staff (Staff) conducted an investigation that included reviewing damage reports submitted by NW Natural (NWN), which identified a natural gas damage event involving Rotschy, Inc. (Rotschy or Company). Accordingly, the Commission hereby notifies you that it is assessing a penalty against you for \$2,000 on the following grounds:

On April 18, 2016, the Commission assessed a \$2,000 penalty against Rotschy for two violations of RCW 19.122.030(2) for failing to provide notice to a one-number locator service at least two days before excavating and damaging underground natural gas facilities on October 17, 2013, and August 14, 2015.

On September 4, 2018, Rotschy was excavating at S 29th Ct. & S Hillhurst Rd., Ridgefield, Washington. While installing poles, workers for Rotschy damaged an underground NWN gas facility. The Damage Information Reporting Tool report submitted by NWN on November 11, 2018, indicated that the Company was excavating without a valid request to locate underground utilities when it caused the damage.

Staff recommends the Commission assess a \$2,000 penalty against Rotschy for one violation of RCW 19.122.030(6)(c), for failing to provide the required notice to a one-number locator service not less than two business days before excavating, as follows:

- \$2,000 penalty for the violation of RCW 19.122.030(6)(c) that occurred on September 4, 2018; and

Staff's research indicates that Rotschy has submitted 649 requests to locate underground utilities since the Commission assessed a penalty against the

Company on April 18, 2016, and that the violation appears to be the result of the Company's negligence rather than a lack of knowledge of the requirements of Washington's dig law. Staff spoke with the Company's safety manager who stressed the Company's commitment to safety, evidenced by its relatively low number of damage incidents in relation to the number of locate requests it submits. He confirmed that the damage incidents were the result of oversights by the Company, and discussed with Staff ways to better track and manage submitted requests to improve safety and compliance.

The Commission agrees with Staff's recommendation and assesses a penalty of \$2,000.

These facts, if not contested or if proved at a hearing and not rebutted or explained, are sufficient to support the penalty assessment.

Your penalty is due and payable now. If you believe the violation did not occur, you may deny committing the violation and contest the penalty through evidence presented at a hearing or in writing. Or, if there is a reason for the violation that you believe should excuse you from the penalty, you may ask for mitigation (reduction) of the penalty through evidence presented at a hearing or in writing. The Commission will grant a request for hearing only if material issues of law or fact require consideration of evidence and resolution in a hearing. Any request to contest the violation or for mitigation of the penalty must include a written statement of the reasons supporting that request. Failure to provide such a statement will result in denial of the request. *See* RCW 81.04.405.

If you properly present your request for a hearing and the Commission grants that request, the Commission will review the evidence supporting your dispute of the violation or application for mitigation in a Brief Adjudicative Proceeding before an administrative law judge. The administrative law judge will consider the evidence and will notify you of his or her decision.

You must act within 15 days after receiving this notice to do one of the following:

- Pay the \$2,000 penalty amount due; or
- Request a hearing to contest the occurrence of either or both of the violations; or
- Request mitigation to reduce the amount of the penalty.

Please indicate your selection on the enclosed form and send it to the Washington Utilities and Transportation Commission, P.O. Box 47250, Olympia, Washington 98504-7250, **within FIFTEEN (15) days** after you receive this notice.

If you do not act within 15 days, the Commission may refer this matter to the Office of the Attorney General for collection. The Commission may then sue you to collect the penalty.

DATED at Olympia, Washington, and effective March 21, 2019.

/s/ Rayne Pearson
RAYNE PEARSON
Director, Administrative Law Division

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
PENALTY ASSESSMENT DG-190062, Investigation # 7934

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 violation occurred and enclose \$2,000 in payment of the penalty.

2. **Contest the violation.** I believe that the alleged violation did not occur for the reasons I describe below (**if you do not include reasons supporting your contest here, your request will be denied**):

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

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

3. **Request mitigation.** I admit the violations, but I believe that the penalty should be reduced for the reasons set out below (**if you do not include reasons supporting your application here, your request will be denied**):

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

OR 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: 4-4-19 [Month/Day/Year], at Vancouver [City, State]

Nels Honola Rotschy Inc
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.”