

JAN 04 2006

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

PENALTY ASSESSMENT NO: TV-051913

PENALTY AMOUNT: \$ 3,100.00

HOUSEHOLD GOODS CARRIER:

Cavlogix Corporation, d/b/a TempStore Moving Company

PO Box 81064

Seattle, WA 98108

The Washington Utilities and Transportation Commission believes that you have committed 31 violations of commission rules and household goods tariff, specifically, Washington Administrative Code (WAC) 480-15, and commission Tariff 15-A. As a result, the commission hereby notifies you that it has assessed a \$100.00 penalty against you for each of the 31 violations for total penalties of \$3,100.00.

The basis for this penalty assessment is as follows. Further information about the violations alleged is contained in the attached report prepared by the staff of the commission.¹

1. One violation of Tariff 15-A, Item 85(7)(e)(x), for TempStore's failure to revise the non-binding estimate form to include the required section for remarks from January 31 through September 30, 2005, subject to a \$100.00 penalty.
2. Two violations of WAC 480-15-650(2)(d), for TempStore's failure to list the complete physical address of the origin and the destination of the move on a written estimate between May 1 and August 20, 2005, subject to a \$200.00 penalty.
3. One violation of WAC 480-15-650(2)(e), for TempStore's failure to include the total mileage on a written estimate between May 1 and August 20, 2005, subject to a \$100.00 penalty.
4. One violation of WAC 480-15-650(2)(i), for TempStore's failure to list the estimated cubic footage of each article on an inventory between May 1 and August 20, 2005, subject to a \$100.00 penalty.

¹ In formal proceedings before the commission, the commission's regulatory staff appears as an independent party with the same privileges, rights, and responsibilities as any other party in the proceeding. Commission staff operates independently from the three-member Commission, who decides the merits of each case. RCW 34.05.455; WAC 480-07-340.

5. One violation of WAC 480-15-650(3), for TempStore's failure to obtain the customer's signature on a written estimate between May 1 and August 20, 2005, subject to a \$100.00 penalty.
6. One violation of WAC 480-15-730 and Tariff Item 95(1)(b), for TempStore's driver's failure to sign the bill of lading indicating receipt of the customer's goods between May 1 and August 20, 2005, subject to a \$100.00 penalty.
7. Three violations of WAC 480-15-490(5) and Tariff 15-A, Item 95(2)(c), for TempStore's failure to list the consignee's name on three bills of lading between May 1 and August 20, 2005, subject to a \$300.00 penalty.
8. Four violations of WAC 480-15-490(5) and Tariff 15-A, Item 100, for TempStore's failure to include four required items on an SIT inventory between May 1 and August 20, 2005, subject to a \$400.00 penalty.
9. Three violations of WAC 480-15-740(3) and Tariff 15-A, Item 95(2)(d), for TempStore's failure to list the exact address at which the shipment, or any part of that shipment, was loaded or unloaded on three bills of lading between May 1 and August 20, 2005, subject to a \$300.00 penalty.
10. Eight violations of WAC 480-15-490(5) and Tariff 15-A, Item 95(2)(g), for TempStore's failure to ensure that the customer has properly initialed the type of estimate (binding or non-binding) under which the shipment is moving on eight bills of lading between May 1 and August 20, 2005, subject to an \$800.00 penalty.
11. One violation of WAC 480-15-490(5) and Tariff 15-A, Item 100(1)(B), for TempStore's failure to charge correct tariff rates for SIT on one bill of lading between May 1 and August 20, 2005, subject to a \$100 penalty.
12. Three violations of WAC 480-15-490(5) and Tariff 15-A, Item 225, for TempStore's failure to only charge fees for new or used containers as listed in the tariff on one bill of lading between May 1 and August 20, 2005, subject to a \$300.00 penalty.
13. One violation of WAC 480-15-490(5) and Tariff Item 230(4), for TempStore charging a customer for a lunch break on one bill of lading between May 1 and August 20, 2005, subject to a \$100.00 penalty.
14. One violation of WAC 480-15-740, for TempStore's failure to list specific information necessary to bill the customer the correct rates and charges on a bill of lading between May 1 and August 20, 2005, subject to a \$100.00 penalty.

The penalties contained in this notice of penalties incurred are assessed pursuant to RCW 81.04.405. Under RCW 81.04.405, every public service company subject to Title 81 RCW who violates or who procures, aids or abets in the violation of any provision of Title 81 RCW or any order, rule, regulation or decision of the Commission is subject to a penalty of \$100.00 per


violation. Each and every violation shall be a separate and distinct offense. Each day of a continuing violation is a separate and distinct offense. Every act of commission or omission which procures, aids or abets in the violation is considered to be a violation.

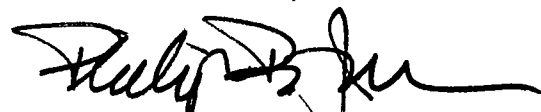
Penalties are due and payable upon receipt of this penalty notice. If for any reason you believe the violations described above did not occur, you may request a hearing to contest the occurrence of the violations. If you have an explanation as to why the violations occurred, or have other facts you believe the Commission should consider, you may make application for mitigation of this penalty. To do so, complete the enclosed mitigation form and return it to the Washington Utilities and Transportation Commission, Post Office Box 47250, Olympia, Washington 98504-7250, within FIFTEEN (15) days of your receipt of this penalty notice. You may, although you are not required to, present your request for mitigation at a hearing. The Commission will consider your plea and notify you of its determination.

If you request a hearing to contest either the occurrence of the violations or the amount of the penalty, please state why you believe a hearing is called for in your circumstances. Failure to request a hearing to contest the occurrence of the violations or the amount of the penalty, return the mitigation plea, or pay the amount due within 15 days will cause the Commission to refer this matter to the Office of the Attorney General for collection. Suit may then be brought against you and after trial, judgment may be entered against you.

DATED at Olympia, Washington and effective this *3rd* day of January, 2006.


MARK H. SIDRAN, Chairman


PATRICK J. OSHIE, Commissioner


PHILIP B. JONES, Commissioner

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

APPLICATION FOR MITIGATION OF PENALTIES

NOTE: This form must be completed, signed, and received by the Commission within 15 days of your receipt of this form.

I have read and understand RCW 9A.72.020, which states that making false statements under oath is a class B felony (printed below). 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, application for mitigation of the penalties (as described in the attached Notice of Penalties), for the following reasons:

Please see attached.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated: Jan. 10, 2006 [month/day/year], at Seattle, WA [city, state]

Chris Jennings
Signature of Applicant

RCW 9A.72.020:

“Perjury in the first degree. (1) A person is guilty of perjury in the first degree 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.”

January 10, 2006

Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7520

RE: Application for Mitigation of Penalties, and
TempStore Moving Company Response and Additional Information

Dear Commission Members:

After careful study of the 2005 Post-Audit-Review of the Business Practices of Cavlogix Corporation d/b/a TempStore Moving Company, we would like to submit the following comments in mitigation of some of the violations cited within the document. We are asking for a total of twenty violations being reduced or suspended.

Item #1 One Violation of Tariff 15-A, Item 85(7)(e)(x)

The copy of the non-binding estimate form which was submitted to the commission was the incorrect form as the correct estimate form did include a section for remarks. I pulled an old copy from the file when I originally submitted the forms in response to the commission's request of such documents. I was a new employee of TempStore and at that time had worked less than 3 weeks so I was not completely familiar with all of the correct forms that were available.

I would also offer that on page 63 of the review is an actual non-binding estimate form used for Kirsten Mackay which shows the remarks box and has text written in the box itself.

TempStore respectfully asks that one violation be reduced or exempted.

Item #4 One Violation of WAC 480-15-650(2)(i)

This violation refers to our failure to list the estimated cubic footage on an inventory sheet; however, the form that is depicted on page 64 is not that of an inventory sheet but rather a copy of the packing materials used on the Mackay move.

TempStore respectfully asks that one violation be reduced or exempted.

Items #5-7 Five Violations

All of the violations cited in numbers 5 through 7 were committed by one individual, James Randolph, whom is no longer an employee of TempStore and whose employment was terminated by TempStore for his inability to perform his duties in a consistent and compliant manner. His personnel file bears many progressive disciplinary documents citing an ongoing problem with James' ability to follow procedures and adhere to established protocols and mandates as outlined by management and within the compliance plan.

TempStore respectfully asks that five violations be reduced or exempted.

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RECORDS MANAGER
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STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

Item #8 Four Violations of WAC 480-15-490(5) and Tariff 15-A, Item 100

The storage in transit for Erica Jones was picked up from the address in Brier as shown but Ms. Jones was not present at the time we picked it up, therefore, no signature was obtained. Our crew gained access to the residence via the landlord who lived upstairs from Ms. Jones and she did not want to sign the inventory sheet only the BOL. This info can be verified by contacting Ms. Jones at 206-349-6276. The Inventory sheet also shows both origin and destination addresses because at the time the inventory was filled out Ms. Jones did not know what her new permanent address would be.

TempStore respectfully asks that two violations be reduced or exempted.

Item #9 Three Violations of WAC 480-15-740(3) and Tariff 15-A, Item 95(2)(d)

Two of the three violations noted involve the former employee, James Randolph and the other is from another former employee, Alfred V. Angeli who was also terminated for his inability to follow established procedures and protocols.

TempStore respectfully asks that three violations be reduced or exempted

Item #10 Eight Violations of WAC 480-15-490(5) and Tariff 15-A, Item 95(2)(g)

Six of the eight violations were again committed by former employee, James Randolph.

TempStore respectfully asks that six violations be reduced or exempted

Item #13 One Violation of WAC 480-15-490(5) and Tariff item 230(4)

I would like to point out again that the overcharge was calculated by the former employee mentioned above in Items 5 – 7, James Randolph. In addition, we would ask the commission to consider the revised Bill of Lading form where we have included a section for the lunch break.

TempStore respectfully asks that one violation be reduced or exempted

Item #14 One Violation of WAC 480-15-740

Another example of former employee James Randolph failing to follow procedures in regard to the Bill of Lading(s) and the calculation of charges.

TempStore respectfully asks that one violation be reduced or exempted

In closing I would just like to point out that the majority of the violations contained within are the result of two terminated employees. Because of Human Resource laws the ability to terminate an employee is a lengthy process of progressive warnings and suspensions with the ultimate outcome of termination. As the cost of hiring these employees and training them increases each year it is always our hope that the employee will rectify their shortcomings during the disciplinary process and will follow the rules and regulations for the permit. Unfortunately, this is not always the outcome in the moving and storage industry.

TempStore Moving Company does many good things for the community and provides a needed and valuable service at an affordable price. Our employees are all permanent employees and we do not use day laborers from the labor halls as many other permitted household goods carriers do. We are a small company but we provide steady work for nine employees and we have been in business for eight years.

When the commission asked for the compliance plan last year TempStore hired a consultant named, Foster Hernandez to assist with the creation of the plan. We felt it was important to have someone that was well versed in the rules and regulations and could help us to meet our obligations fully.

To date, we remain committed to operating our company within the guidelines and would like to thank the commission for their time spent in consideration of our request for mitigation. Please contact me if you need any additional information.

Best regards,



Chris Jennings
Operations Manager

Cc: Michael Meyer
Foster Hernandez
File