



Washington Movers Conference

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James R. Tutton, Jr.
Executive Director

August 5, 2022

Ms Amanda Maxwell
Executive Director/Secretary
Utilities & Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Dear Ms. Maxwell,

Reference: UTC "NOTICE OF OPPORTUNITY TO SUBMIT WRITTEN COMMENTS", dated July 7, 2022.

RE: Inquiry to determine the appropriateness of updates to Tariff 15-C

The Washington Movers Conference (WMC) is pleased to provide the following comments to the above reference.

This letter was prepared prior to retention of counsel this week and provides preliminary thoughts and information from the WMC not intended to be conclusive, but filed solely to satisfy the current comment deadline period which we have now formally requested be extended by letter dated August 4, 2022. If our request for extension is granted, we intend to provide additional thoughts and analyses by the extension date and greatly appreciate the Commission and other stakeholders' patience as we continue to marshal responses to the numerous regulatory issues posed in this consolidated docket during peak season for the industry."

The WMC is thankful for the recent Intrastate Household Goods (HHG) Tariff No. 15-C 12.1% increase to the maximum rates and charges contained within Tariff No. 15-C. It really helps offset the constant increases in fuel costs, packing material costs, and inflationary costs in general across the board presently impacting regulated Intrastate HHG Carriers.

I firmly believe that it is time for the Utilities and Transportation Commission (UTC) and staff to begin looking at the regulated HHG Moving Industry a little differently than the other regulated transportation groups they regulate. I am not seeking elite status for the intrastate HHG moving industry or implying the other UTC regulated transportation industries are not important.

But it's the future of Intrastate regulated moving companies that's in question. The WMC has had several discussions this past year with UTC staff responsible for the UTC HHG Tariff 15-C seeking the best approach for maintaining Rates, Charges, and Services contained in the HHG Tariff 15-C that would be simple, accomplished at appropriate cost to each party, and would be fair to Washington's consumers seeking professional intrastate HHG moving services while fairly compensating intrastate HHG carriers for those professional services requested by the consumer and provided. And for certain, maintain the strong consumer protections in place

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found in WAC 480-15 and the UTC Household Goods Tariff No. 15-C.

The Intrastate Household Goods (HHG) moving industry within Washington State is a highly competitive industry whereby two or more parties (HHG Carriers) act independently to secure the business of a third party (consumers) by offering the most favorable costs and terms.

Now comes the above reference seeking a tremendous amount of data (3-1/2 years' worth) from regulated intrastate HHG Moving and Storage carriers to justify their existence at a time when they are in the midst of their annual "Peak Moving Season", June through September, 2022. To be fair as a responder, the WMC does not have any of the financial data being requested but is aware of what intrastate HHG carriers are facing given today's highly volatile economy.

Neither the regulated intrastate HHG Moving and Storage Carriers nor the Washington Movers Conference requested this review of the UTC HHG Tariff No. 15-C. It was a commercial storage business, Clutter Inc., by way of private discussions with the UTC HHG Section leading to UTC TV-Docket 210535.

The HHG Tariff No. 15-C currently in use has a multitude of charge items for professional services based within a range of minimum - maximum rates and charges that can be legally assessed. Plus the intrastate HHG Tariff covers two main types of HHG moves – Long Distance (Mileage-Rated) Moves, those travelling more than 55 miles with the customer charged based on the weight of goods and distance moved; and Local (Hourly-rated) moves, those travelling 55 miles or less between origin and final destination with the customer charged based on time consumed to complete the requested relocation and services requested between origin and the final destination.

Operating as an Intrastate HHG carrier is complex. It also includes providing "Small Goods Transportation and Storage; "Storage-in-Transit", temporary storage, 90-days or less; "Permanent Storage", storage of goods for more than 90-days; or short term "Storage-In-the Vehicle"; and a myriad of assessorial services depending on the customer's need. Notably, the customer's goods come in all shapes and sizes and at several different levels of value. Customer's homes and/or apartments are located in neighborhoods; on hills, such as can be found in the Seattle market; in downtown metropolitan cities in high rise apartments/condos; in small neighborhoods not easily accessible by the tractor/trailer combination thereby requiring a "Shuttle"; or historic, older homes with steep and narrow staircases making it difficult to negotiate with large items. Each HHG move provides a relevant challenge to the HHG carrier.

But most importantly is the fact the customer has a choice of HHG carriers to choose from which sets them apart from some of the other Commission regulated transportation entities. This doesn't make intrastate HHG carriers better than other regulated industries, it simply provides the customer with a great deal of flexibility and choice. This means the competitive marketplace is in place for consumers. "WAC 480-15-190 Service territory, provides authorized statewide operations for HHG Carriers unless: (1) An applicant elects to limit the service territory to specific counties; or (2) The commission, by order, limits an applicant's service territory." This information is clearly stated on each issued Provisional and Permanent HHG Operating Authority. Consequently, consumers within each city and county within Washington State can be serviced by multiple HHG Carriers.

Clutter Inc.'s web site currently shows they only service cities in Western Washington. Not certain what their actual Operating Authority states.

Household goods moving at any level requires competent, drug free, background checked, trained and able employees, (drivers, laborers, and office staff) to successfully complete each

and every move timely, damage free, at a Commission regulated HHG Tariff price, and ultimately completed to the customer's satisfaction.

Consumers too expect HHG carriers to provide clean, background checked, and honest workers that will be entering their homes or apartments and handling all of their personal possessions. Finding these good folks in today's economy is an extreme challenge!

Yes, intrastate HHG carrier's employees go into the customer's home/apartment and handle all of the customer's household goods from personal items, clothes, furniture and fine china to the rakes and shovels in the garage.

Professional HHG carriers complete a walk-through of the customer's residence with the customer to learn just what the customer wants moved, if any packing is needed, or are there any high valued items needing special care; and then they provide the customer with a detailed "Estimated Costs for Services" form showing all work that is to be provided based on the customer's request and the estimated costs for the needed services for the customer to review and sign if all is acceptable.

NO REGULATED INTRASTATE HHG MOVE BEGINS without the full concurrence and the signature of the customer on the "Estimated Costs for Services" form.

Throughout the COVID-19 pandemic, intrastate HHG carriers continued to work providing relocation services upon request of their customers while following the State's Department of Health safe operating procedures and protocols for the protection of the work force and their customers.

Many professional full service HHG carriers own or lease "store front" office facilities and large storage warehouse facilities in cities across Washington State. They provide the services mentioned above plus most also have a major HHG van line affiliation for providing Interstate moves for folks moving to or from Washington State by way of an Interstate Van Line Tariff and separate Agreements. Plus many HHG carriers also handle military members personal property shipments, including needed storage, for service members stationed at or departing from Washington State's many military installations by way of the Defense Personal Property Shipping Program with its Military Tariff. Consequently, a full-service professional HHG carrier has their hands full!

At this time, the regulated intrastate HHG carriers are battling to save and maintain their HHG Tariff No. 15-C which contains the *"Rates, terms, and conditions for the transportation of HOUSEHOLD GOODS between points in Washington"*. And yes, the HHG Tariff No. 15-C allows intrastate HHG carriers to provide storage services in accordance with the needs of the consumer. Those services may include Small Goods Transportation and Storage, Storage-In-Transit for 90-days or less moving on a through Intrastate Bill of Lading or transportation to/from a Permanent Storage facility for long term storage greater than 90 days either owned by the HHG carrier or a third party. "Permanent Storage rates and charges" are not regulated; only the transportation charges to/from the Permanent Storage facility.

Any entity may apply to the UTC for the opportunity to become a Regulated Intrastate HHG Carrier. An applicant simply completes a household goods moving company permit application and meets the Commission's criteria for a Provisional Operating Authority. Following the provisional period and the HHG carrier meets the criteria for a Permanent HHG Operating Authority, one is issued. Presently, according to the UTC's web site there are 324 HHG carriers holding either a Provisional or Permanent HHG Operating Authority.

All regulated Intrastate HHG Carriers must abide by the Consumer Protection rules contained in

WAC 480-15 as follows –

1. Charge Tariff and Rates, general – WAC 480-15-490.
2. Obtain and maintain Public Liability and Property Insurance – WAC 480-15-530.
3. Obtain and maintain appropriate level of Cargo Insurance – WAC 480-15-550.
4. Perform Criminal background checks for each prospective employees – WAC 480-15-555.
5. Meet Equipment safety requirements – WAC 480-15-560.
6. Meet Driver safety requirements – WAC 480-15-570.
7. Advertising – WAC 480-15-610.
8. Provide each customer a copy of the “Consumer Guide to Moving in Washington State – WAC 480-15-620.
9. Complete HHG Estimates, Supplemental Estimates, and a Bill of Lading – WACs 480-15-630, 660 and 710; HHG Tariff NO. 15-C, ITEM 85, paragraph 3.
10. Maintain a customer Complaint and Procedures Program – WACs 480-15-800, 810, 830 and 890.

Estimated travel times between the HHG carrier’s facility and the customer’s residence is typically determined using GPS and based on experience of local road traffic issues/congestion.

Professional intrastate HHG carriers never purposely overcharge their customers. If there is a need for an adjustment to charges, one is always provided.

Intrastate HHG moving that may be done on a weekend, Holiday, or before 8:00am or after 5:00pm, Monday through Friday, is accomplished ONLY at the customer’s request and at the option of the HHG carrier. The carrier must provide the customer with a written estimate/supplemental estimate for the total overtime charges and get the customer’s written consent before providing overtime service. Yes, overtime work performed does cost more based on the HHG Tariff No. 15-C Rates and Charges.

A 4-hour minimum on weekends, Holidays, or before 8:00am or after 5:00pm, Monday through Friday, REQUESTED by the customer and AGREED TO by the HHG carrier requires extra effort in finding crews available to work. Someone at the management/supervisory level needs to come in also to open up the business and issue keys for trucks, etc. These are non-typical work hours and employees don’t typically want to come in for just an hour! (Kind of like employees who are enjoying working from home now and don’t want to return to the business’s office!)

The current UTC Intrastate HHG Tariff No. 15-C providing “*Rates, terms, and conditions for the transportation of HOUSEHOLD GOODS between points in Washington*” in its present form is fully adequate for intrastate HHG carriers to perform successful intrastate HHG moves including consumer storage needs since the Intrastate HHG carriers have the continuing opportunity to apply for Rates and Charges upgrades as the WMC routinely does.

Consumer complaints based on the thousands of intrastate HHG moves completed annually are extremely low based on the last time I was able to check the UTC web site for “Consumer Complaints by Industry”.

The WMC has openly participated in recent meetings discussing a review of HHG Tariff No. 15-C brought about by Clutter Inc.’s proposed changes to the intrastate HHG Tariff No. 15-C and find absolutely no need to make changes to the Tariff at this time given the recent supported approval of a 12.1% increase to the Maximum Rates found in the HHG Tariff 15-C.

In closing, Intrastate regulated HHG carrier's business owners are able to properly manage and operate their businesses IAW the intrastate HHG Tariff 15-C and WAC 480-15 to satisfactorily meet the needed safe and efficient demands of their customers and the protection of the customer's goods and residences.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "J. R. Tutton, Jr.", written in a cursive style. The signature is positioned to the right of the typed name.

James R. Tutton, Jr.
Executive Director