### **BEFORE THE STATE OF WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of Amending Washington Utilities and Transportation Commission Tariff 15-C, Relating to Intrastate Transportation of Household Goods DOCKET TV-210035

ORDER 01

APPROVING REVISIONS TO TARIFF 15-C

# BACKGROUND

 Revised Code of Washington (RCW) 81.80.150 assigns certain duties and responsibilities to the Washington Utilities and Transportation Commission (Commission) for tariffs that apply to intrastate transportation of household goods. These duties include amending, altering, and reissuing tariffs when changes are approved by the Commission. The Commission published Tariff 15-C, which applies to the intrastate transportation of household goods, effective February 1, 2008.

2 This tariff revision is intended to revise the rule regarding mileage calculation for longdistance moves and to increase the maximum tariff rates for containers. These changes are being made in response to requests received from Jim Tutton of the Washington Movers Conference (WMC), filed on January 7, 2021, and January 12, 2021, requesting updates to the tariff. Revisions also include a housekeeping change updating the name of the consumer guide carriers must provide to customers.

3 Commission staff (Staff) has reviewed WMC's letters filed on January 7, 2021, and January 12, 2021, and Staff recommends that the Commission adopt the following revisions to Tariff 15C.

4 The first portion of this proposed tariff revision relates to the rules contained in Item 105 – General Application of Rates For Long Distance Moves. The revisions would remove reference to the "Household Goods Carriers Bureau Mileage Guide" as a method to determine mileage for long distance moves. This mileage guide is no longer being updated and because it is obsolete, should no longer be referenced in the tariff rules. Also, the proposed revision includes language that would allow companies more flexibility to use their preferred mileage calculation software for determining appropriate charges for long-distance moves. Currently, the tariff only allows for the use of Rand McNally's Mile Maker software (Mile Maker), which is a costly commercial software solution for determining mileage. Staff's revisions would allow the use of other software similar to Mile Maker, but companies would no longer be required to use Mile Maker exclusively. Staff's proposal also includes the caveat that carriers must use the route that reflects the least number of miles between the point of origin and the destination, regardless of the software used. Staff has updated the estimate and bill of lading forms to require carriers to identify which software was used when determining the appropriate mileage for a long-distance moves. This will allow Staff investigators to use the same software a carrier used to verify the mileage calculation.

The increase to the container rates is being made pursuant to price increase notifications sent by the two of the largest container suppliers, Pioneer Packaging and Victory Packaging. These notices were included with the January 7, 2021, letter from the WMC, which requested that the Commission increase container rates in order to offset these price increases. Both notices referenced a nine percent price increase to all containers in 2021, citing increased demand for cardboard containers due to the COVID-19 pandemic. Because of Tariff 15-C's banded rate structure and the need to provide recovery of costs and a reasonable return on investment, Staff believes it is appropriate to increase the maximum rates for all containers by 9 percent. For the container prices listen in Item 195 – Container Prices, and Item 225 – Container Prices, Staff's proposal would increase all maximum rates by 9 percent. For Item 196 – Packing Rates, which are rates that include both container prices and labor costs for packing the containers, the proposed rates include a 9 percent increase to the container portion of the rates only.

#### DISCUSSION

- 6 We agree with Staff's recommendation and approve the proposed amendments to Tariff 15-C. Pursuant to RCW 81.80.150, the Commission may alter or amend the tariffs applicable to household goods carriers after notice and hearing.
- 7 We conclude that Staff's proposed revisions are reasonable and consistent with the public interest. Requiring carriers to use costly, obsolete software benefits neither consumers nor regulated companies. Requiring carriers to disclose the software used to calculate mileage will aid Staff with its investigations and provide transparency for consumers. Additionally, carriers should be allowed to recoup, rather than be required to absorb, increased container costs. Accordingly, we approve the proposed revisions as reflected in Appendix A to this Order.

# FINDINGS AND CONCLUSIONS

- 8 (1) The Commission is an agency of the State of Washington required by statute to compile, publish, and distribute tariffs containing rates, charges, classifications, rules, and regulations to be used by all common carriers, including household goods carriers.
- 9 (2) This matter was brought before the Commission at its regularly scheduled meeting on February 11, 2021.
- After review and giving due consideration, the Commission finds that Tariff 15 C should be amended as proposed by Commission Staff and reflected in
  Appendix A to this Order.

# ORDER

**THE COMMISSION ORDERS THAT:** Effective February 11, 2021, the revisions proposed to Tariff 15-C, attached to this Order as Appendix A and by this reference made a part of this Order, are adopted for use by all carriers transporting household goods in the state of Washington that are subject to Commission regulation.

The Commissioners, having determined this Order to be consistent with the provision of RCW 81.80.150 and in the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective February 11, 2021.

# WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON Executive Director