

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Investigation of

ZED ENTERPRISES LLC D/B/A ZED  
MOVERS

For Compliance with WAC 480-15-560  
and WAC 480-15-570

DOCKET TV-190470

ORDER 01

APPROVING SAFETY  
MANAGEMENT PLAN;  
EXTENDING PROVISIONAL  
OPERATING AUTHORITY

**BACKGROUND**

- 1 On June 19, 2019, the Washington Utilities and Transportation Commission (Commission) issued a Notice of Intent to Cancel Household Goods Permit and Notice of Brief Adjudicative Proceeding; Setting Time for Oral Statements in the Matter of the Investigation of Zed Enterprises LLC d/b/a Zed Movers (Zed Movers or Company) for Compliance with Washington Administrative Code (WAC) 480-15-560 and WAC 480-15-570 (Notice).
- 2 The Notice explained that Commission staff (Staff) conducted a compliance review of Zed Movers' operations in May 2019 and cited the Company for 30 critical violations of federal and state safety regulations. In addition, Staff proposed a conditional safety rating for the Company and notified the Company of this proposed rating on June 5, 2019. Based on its review, Staff recommended that the Commission cancel Zed Movers' household goods carrier permit unless the Company obtains Commission approval of a safety management plan. The Notice directed Zed Movers to file a proposed safety management plan by July 19, 2019. The Commission also set a brief adjudicative proceeding for July 30, 2019, to determine whether the Commission should cancel Zed Movers' household goods carrier permit.
- 3 On July 10, 2019, Zed Movers submitted a proposed safety management plan to Staff.
- 4 On July 16, 2019, Staff filed with the Commission its evaluation of the Company's safety management plan, and recommendations regarding the Company's safety rating and the cancellation of its household goods operating authority (Evaluation). Staff determined, based on its review of the Company's proposed plan, that the Company took all of the required steps to bring its safety operations into compliance with Commission regulations. Staff recommends that the Commission not cancel the Company's permit and

instead extend the Company's provisional operating authority for good cause until Staff conducts a follow-up compliance review at least six months from the date of this Order. Staff further recommends that the Commission cancel the brief adjudicative proceeding and decide the matter on a paper record.

- 5 On July 17, 2019, the Commission issued a notice cancelling the July 30, 2019, hearing and informing the parties that the Commission would enter an order based on the parties' written submissions.

### **DISCUSSION AND DECISION**

- 6 Washington Law requires household goods carriers to comply with federal safety requirements and undergo routine safety inspections. Staff's May 2019 compliance review of Zed Movers found 30 violations of critical safety regulations, which resulted in a proposed conditional safety rating. Violations classified as "critical" are indicative of a breakdown in a carrier's management controls. Patterns of noncompliance with a critical regulation are quantitatively linked to inadequate safety management controls and usually higher-than-average accident rates.
- 7 On July 10, 2019, the Company submitted its proposed safety management plan. Staff determined that Zed Movers' safety management plan addresses each violation, identifies how each violation occurred, describes the steps taken to correct each violation, and describes the controls put in place to ensure compliance going forward. Staff concludes that Zed Movers' safety management plan is acceptable and satisfies the legal requirements of 49 CFR Part 385. We agree.
- 8 Based on Staff's Evaluation, the Commission finds that the Company has achieved compliance with WAC 480-15 by correcting the violations that led to the proposed conditional safety rating. Accordingly, the Commission agrees with Staff's recommendation to extend the Company's provisional period for its household goods carrier permit. WAC 480-15-305(1)(b) provides that, prior to a grant of permanent authority, an applicant must complete a provisional period of not less than six months and not more than 18 months unless the Commission determines for good cause that the provisional period should be extended. Good cause may include, among other things, a carrier that has not yet achieved a satisfactory safety rating but is making substantial progress toward a satisfactory rating. Here, the Company has corrected the violations at issue and demonstrated that it has taken significant steps to ensure its operations comply with applicable safety regulations. Accordingly, the Commission finds good cause to extend the Company's provisional period until Staff conducts a follow-up compliance review at least six months from the date of this Order.

**FINDINGS AND CONCLUSIONS**

- 9 (1) The Commission is an agency of the State of Washington, vested by statute with authority to regulate rates, rules, regulations, practices, and accounts of public service companies, including common carriers such as household goods carriers, and has jurisdiction over the parties and subject matter of this proceeding.
- 10 (2) Zed Movers is a household goods carrier subject to Commission regulation.
- 11 (3) Zed Movers cured the deficiencies that led to the proposed conditional safety rating. Accordingly, Zed Movers should be allowed to maintain its household goods carrier permit.
- 12 (4) Pursuant to WAC 480-15-305(1)(b), the Commission should find good cause to extend Zed Movers' provisional operating authority until Staff conducts a follow-up compliance review at least six months from the date of this Order.

**ORDER**

THE COMMISSION ORDERS THAT:

- 13 (1) The Commission approves Zed Enterprises LLC d/b/a Zed Movers' safety management plan.
- 14 (2) Zed Enterprises LLC d/b/a Zed Movers' provisional operating authority is extended until Staff conducts a follow-up compliance review at least six months from the date of this Order.

DATED at Lacey, Washington, and effective July 30, 2019.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

*/s/ Laura Chartoff*  
LAURA CHARTOFF  
Administrative Law Judge

Service Date: July 30, 2019

## NOTICE TO PARTIES

This is an Initial Order. The action proposed in this Initial Order is not yet effective. If you disagree with this Initial Order and want the Commission to consider your comments, you must take specific action within the time limits outlined below. If you agree with this Initial Order and you would like the Order to become final before the time limits expire, you may send a letter to the Commission waiving your right to petition for administrative review.

WAC 480-07-610(7) provides that any party to this proceeding has 21 days after service of this initial order to file a petition for administrative review (Petition). Section (7)(b) of the rule identifies what you must include in any Petition as well as other requirements for a Petition. WAC 480-07-610(7)(c) states that any party may file a response to a Petition within 7 days after service of the Petition.

WAC 480-07-830 provides that before the Commission enters a final order any party may file a petition to reopen a contested proceeding to permit receipt of evidence that is essential to a decision, but unavailable and not reasonably discoverable at the time of hearing, or for other good and sufficient cause. The Commission will give other parties in the proceeding an opportunity to respond to a motion to reopen the record, unless the Commission determines that it can rule on the motion without hearing from the other parties.

WAC 480-07-610(9) provides that an Initial Order will become final without further Commission action if no party seeks administrative review of the Initial Order and if the Commission does not exercise administrative review on its own motion.

Any Petition or response must be electronically filed through the Commission's web portal, as required by WAC 480-07-140(5).