BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of

WASHINGTON MOVERS CONFERENCE,

Petitioner,

Seeking Modifications to Household Goods Tariff 15-C DOCKET TV-230026

ORDER 01

DENYING WASHINGTON MOVERS CONFERENCE'S PETITION TO MODIFY TARIFF 15-C

BACKGROUND

- I On January 12, 2023, the Washington Movers Conference (WMC) filed with the Washington Utilities and Transportation Commission (Commission) a Petition to revise Tariff 15-C in Docket TV-230026 (Petition) to allow for the collection of a 2.5 percent surcharge on the total charges assessed on the Uniform Bill of Lading whenever a credit card is used for payment.
- ² The WMC previously filed a similar petition, which the Commission granted.¹ The Commission subsequently removed the surcharge when all rates in Tariff 15-C were increased as part of a general rate proceeding.² In the order for the general rate proceeding, the Commission stated:

Consistent with the Commission's policy for other regulated industries, we agree with Staff that embedding the credit card processing fees in the rate band is in the public interest. Consumers as a general matter are no longer accustomed to separate fees for credit card payments, and the use of credit and debit cards has become ubiquitous. In addition, quoting one price to customers regardless of their form of payment is more straightforward and transparent.³

¹ In the Matter of Amending Washington Utilities and Transportation Commission Tariff 15-C, Relating to Intrastate Transportation of Household Goods, Docket TV-180245, Order 01 (July 12, 2018).

² In the Matter of Amending Washington Utilities and Transportation Commission Tariff 15-C, Relating to Intrastate Transportation of Household Goods, Docket TV-190664, Order 01 (Feb. 20, 20220) (Docket TV-190664 Order 01).

³ Docket TV-190664 Order 01 at ¶19.

- 3 The WMC argues that such a surcharge is solely at the request of the customer and therefore should be allowed because customers have other options for payment. Commission staff (Staff) disagrees. Staff argues that customers may only use payment methods accepted by the mover, and that payment methods may differ from company to company. Staff further asserts that credit card network agreements have varying rates depending on how cards are used, and may vary by customer (*e.g.*, gold, platinum, or rewards account versus a basic account) and by companies.
- 4 Staff further contends that the WMC does not provide any supporting data for its determination that a 2.5 percent charge is appropriate. Although the actual fee may be more than 2.5 percent, Staff asserts that it is just as likely the fee assessed by the credit network may be less. Finally, Staff points to the Commission's previous determination that such a sperate surcharge is not in the public interest. As in the previous instance, there is a concurrent docket that proposes an across-the-board increase to Tariff 15-C rates.⁴ In light of that action, Staff does not support an additional surcharge as requested in the Petition.

DISCUSSION

- As we stated previously in Order 01 in Docket TV-190664, credit card processing fees are more appropriately collected by embedding them in the rate band. Customers are better served by being able to rely on the quoted price without accounting for an additional percentage surcharge based on their method of payment. We are, however, sympathetic to the WMC's concerns about increasing costs and are addressing those concerns in Docket TV-210812 in response to another petition filed by the WMC. At this open meeting in Docket TV-210812 we authorized a temporary amendment to Rate Increase Supplement No. 2022-1 to increase the maximum rates set by Tariff 15-C by 20 percent to become effective July 1, 2023, and directed Staff to open a rulemaking to examine whether the maximum rate band should be eliminated, to conclude by December 31, 2023.⁵ This temporary increase should be sufficient to include the cost of credit card charges that the WMC seeks reimbursement for in the Petition until a holistic analysis of costs and inflation can be completed in the anticipated rulemaking.
- 6 The Commission regulates household goods carriers not only to ensure public safety, but to ensure fair competitive practices, just and reasonable charges, and to protect

⁴ Docket TV-210812.

⁵ Docket TV-210812, Order 01 at ¶¶39-40.

consumers.⁶ The WMC has not established that a credit processing surcharge is consistent with the public interest or would result in just and reasonable charges. Accordingly, we deny the WMC's Petition.

FINDINGS AND CONCLUSIONS

- 7 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, and affiliated interests of public service companies, including household goods carriers.
- 8 (2) The WMC is an association representing companies that are engaged in the business of providing household goods services within the state of Washington and is a public service company subject to Commission jurisdiction.
- 9 (3) The WMC's members are subject to WAC 480-15-490(3), which requires household goods companies to follow the terms, conditions, rates, and other requirements of the published tariff.
- 10 (4) This matter came before the Commission at its regularly scheduled meeting on June 29, 2022.
- (5) After reviewing the Petition filed in Docket TV-230026 by the WMC on January 12, 2023, and giving due consideration, the Commission finds that granting the requested relief is not consistent with the public interest and concludes that it should be denied.

ORDER

THE COMMISSION ORDERS:

12 (1) The Washington Movers Conference's Petition is Denied.

⁶ WAC 480-15-010(1).

13 (2) The Commission retains jurisdiction over the subject matter to effectuate the provisions of this Order.

Dated at Lacey, Washington, and effective June 29, 2023.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner

MILTON H. DOUMIT, Commissioner