[Service Date October 16, 2008]

BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND) DOCKET TV-081675
TRANSPORTATION COMMISSION,)
,	,)
Complainant,) COMPLAINT FOR VIOLATIONS
_) OF HOUSEHOLD GOODS
v.) CARRIER ADVERTISING RULE
)
NEIGHBORS MOVING AND) NOTICE OF HEARING
STORAGE OF SEATTLE, LLC,) (Set for November 12, 2008, at
) 1:30 p.m.)
Respondent.)
-)
)

Synopsis: In this Complaint, the Commission alleges that Neighbors Moving and Storage of Seattle, LLC, has violated WAC 480-15-610 by advertising storage rates that conflict with the Commission's household goods carrier tariff, and seeks penalties under RCW 81.04.380 if the company is found to have violated the rule.

I. BACKGROUND

Last year, in 2007, the regulatory staff of the Washington Utilities and Transportation Commission (Staff)¹ became aware of improper language in advertising by Neighbors Moving and Storage of Seattle, LLC (Neighbors), including offers for "free one month storage" in violation of Commission rule WAC 480-15-610. This rule prohibits household goods carriers from advertising services or rates and charges that conflict with those in the Commission's Household Goods Tariff No. 15-C. After investigating the company's advertising practices, Staff sent Neighbors in April 2007, a compliance letter advising the company of the specific advertising violations, instructing Neighbors to submit a compliance plan, and warning of future

¹ In formal proceedings, such as this, the Commission's regulatory staff functions as an independent party with the same rights, privileges, and responsibilities as other parties to the proceeding. There is an "*ex parte* wall" separating the Commissioners, the presiding

enforcement action should Neighbors' compliance with Commission advertising rules fail to improve.

- Neighbors submitted a compliance plan in which it committed to implementing specific changes in its advertising language and consistently working to achieve full compliance with the Commission's household goods tariff. Specifically, Neighbors stated that it would change "free one month storage" to "free one month storage with 3 months of storage."
- In May 2008, the Staff received an informal complaint alleging improper advertising. Included with the complaint was a copy of a coupon page from a 2008 Dex telephone directory advertising Neighbors' services. One of the coupons offered "free 1 month storage."
- In conjunction with investigating the May 2008 complaint, Staff contacted the company in May to discuss the coupon page. Neighbors stated that it had provided revised text to Dex. A Dex directory representative confirmed in early July that Neighbors had provided corrected text but a Dex oversight resulted in the improper text being printed on the coupon page.
- During the timeframe of these discussions, Staff reviewed Neighbors' website. On June 3, Staff found an online coupon on the Neighbors website offering "one month storage free." One month later, Staff found the same offer still being advertised. Staff checked the Neighbors website three more times on different days in July and the "one month storage free" offer consistently appeared.

II. COMPLAINT

- 7 The Washington Utilities and Transportation Commission (Commission) on its own motion, and through its Staff, alleges as follows:
- The Commission exercises all the powers and performs all the duties prescribed by Titles 80 and 81 RCW. *RCW* 80.01.040.

Administrative Law Judge, and the Commissioners' policy and accounting advisors from all parties, including regulatory staff. *RCW 34.05.455*.

Common carriers are regulated under RCW 81.80. *See RCW 81.80.010*. The Legislature specifically empowered the Commission to regulate common carriers in RCW 81.80.130, and to enforce RCW 81.80 in RCW 81.80.330.

- Household goods carriers are common carriers. *See RCW 81.80.010*. Under RCW 81.80, "motor carrier" means a common carrier. *RCW 81.80.010*. For the purposes of Title 81, every common carrier is a public service company. *RCW 81.04.010*.
- Neighbors Moving and Storage of Seattle, LLC, is a public service company as defined in RCW 81.04.010. Neighbors holds authority to transport household goods in the State of Washington for compensation under certificate HG-61028 issued by the Commission.
- The Commission is empowered to issue rules and regulations governing household goods carriers. *See RCW 81.80.290*.
- Under the Commission's rules governing household goods carriers, carriers may not advertise services or rates and charges that conflict with those in the Commission's household goods tariff. *WAC 480-15-610*.
- The Commission's household goods tariff contains minimum and maximum monthly rates for storage lasting 90 days or less. *Household Goods Tariff 15-C, Item 100*.
- Neighbors violated WAC 480-15-610(4) by advertising "free one month storage."
- By law, every public service company that violates any Commission rule is subject to a penalty of up to one thousand dollars for every such violation. *RCW* 81.04.380. In the case of a continuing violation, every day's continuing violation is a separate and distinct offense. *Id*.
- Based on the facts revealed in Staff's investigation, Neighbors has committed at least five violations of WAC 480-15-610.

III. PROBABLE CAUSE

Based on a review of Staff's investigation report and all supporting documents, and consistent with RCW 80.01.060 and WAC 480-07-307, the Commission finds probable cause exists to issue this Complaint.

IV. NOTICE OF HEARING

- The Commission, by this notice, sets a hearing in this matter, which will be held pursuant to RCW 34.05 pertaining to adjudicative proceedings, including but not limited to RCW 34.05.413, RCW 34.05.434, RCW 34.05.440, RCW 34.05.449, and RCW 34.05.452, and under WAC 480-07, including but not limited to WAC 480-07-145, WAC 480-07-150, WAC 480-07-320, WAC 480-07-440, WAC 480-07-450, WAC 480-07-470, WAC 480-07-490, and WAC 480-07-495. The Commission has jurisdiction in this matter under RCW 80.01, RCW 81.04 and RCW 81.80, including but not limited to RCW 80.01.040, RCW 81.04.110, RCW 81.04.380, RCW 81.80.130, RCW 81.80.290, and RCW 81.80.330, and under WAC 480-15-145 and WAC 480-15-610.
- THE COMMISSION GIVES NOTICE That a hearing in this matter will be held on November 12, 2008, at 1:30 p.m., in Room 108, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.
- THE COMMISSION GIVES FURTHER NOTICE THAT ANY PARTY WHO FAILS TO ATTEND OR PARTICIPATE IN THE HEARING SET BY THIS NOTICE, OR ANY OTHER STAGE OF THIS PROCEEDING, MAY BE HELD IN DEFAULT IN ACCORDANCE WITH RCW 34.05.440 AND WAC 480-07-450.
- If any party or witness needs interpreter or other assistance, please fill out the form attached to this notice and return it to the Commission.
- The names and mailing addresses of all parties and their known representatives are as follows:

Complainant: Washington Utilities and

Transportation Commission

1300 S. Evergreen Park Drive S.W.

PO Box 47250

Olympia, WA 98504-7250

(360) 664-1160

Representative: Jennifer Cameron-Rulkowski

Assistant Attorney General

1400 S. Evergreen Park Drive S.W.

P.O. Box 40128

Olympia, WA 98504-0128

(360) 664-1186

Respondent: Joseph Tranisi

Neighbors Moving and Storage of Seattle, LLC

8629 South Street, Building O

Kent, WA 98031

Patricia Clark is appointed as the Administrative Law Judge from the Utilities and Transportation Commission's Administrative Law Division, 1300 S. Evergreen Park Drive S.W., Olympia, Washington 98504-7250, and will preside at the hearing.

Notice of any other procedural phase will be given in writing or on the record as the Commission may deem appropriate during the course of this proceeding.

DATED at Olympia, Washington, and effective October 16, 2008.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

ANN E. RENDAHL Administrative Law Judge

Inquiries may be addressed to:

Executive Directory and Secretary Washington Utilities and Transportation Commission Richard Hemstad Building 1300 S. Evergreen Park Drive S.W. P. O. Box 47250 Olympia, WA 98504-7250 (360) 664-1160

NOTICE

PLEASE NOTE: The hearing facilities are accessible to interested people with disabilities; that smoking is prohibited; and if limited English-speaking or hearing-impaired parties or witnesses are involved in a hearing and need an interpreter, a qualified interpreter will be appointed at no cost to the party or witness.

The information needed to provide an appropriate interpreter or other assistance should be stated below and returned to Washington Utilities and Transportation Commission, Attention: David W. Danner, 1300 S. Evergreen Park Drive SW, P.O. Box 47250, Olympia, WA 98504-7250. (PLEASE SUPPLY ALL REQUESTED INFORMATION)

Docket	
Case Name:	
Hearing Date:	Hearing Location:
Primary Language:	
Hearing Impaired (Yes)	(No)
Do you need a certified sign language into	erpreter:
Visual	Tactile
Other type of assistance needed:	
English-speaking person who can be cont	tacted if there are questions:
Name:Address:	
Phone No ·()	<u></u>