Service Date: October 14, 2021

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of

DOCKET TV-210535

CLUTTER, INC.,

ORDER 01

Petitioner,

Seeking Exemption from Tariff 15-C and certain provisions of WAC 480-15

GRANTING EXEMPTIONS FROM TARIFF 15-C AND COMMISSION RULES

BACKGROUND

- On July 2, 2021, Clutter, Inc., (Clutter or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition to revise Tariff 15-C and for temporary exemption from certain provisions of Chapter 480-15 Washington Administrative Code (WAC) and Tariff 15-C.
- 2 On August 30, 2021, Clutter filed an amended petition to revise Tariff 15-C and for exemption from certain provisions of Tariff 15-C and WAC 480-15 (Amended Petition).¹
- In its Amended Petition, Clutter submits that Tariff 15-C was created to govern traditional household goods moves. Clutter, however, is an on-demand storage and moving service with a centralized warehouse. The Company's primary business in Washington involves storage services that are not regulated by the Commission. Clutter requests that the Commission consider certain updates and revisions to Tariff 15-C and, in the interim, grant the Company exemptions from certain portions of Tariff 15-C and Commission rules when the Company provides moves involving storage.
- 4 Specifically, Clutter requests the following:
 - a. An exemption from Tariff 15-C Item 230 and WAC 480-15-490 to allow the Company to bill one or more of the following in addition to its unregulated monthly storage fee: (1) a flat fee for transportation; (2) an

¹ While the Amended Petition's caption refers to WAC Chapter 480-07, the Amended Petition is actually seeking exemptions from WAC Chapter 480-15, the chapter pertaining to household goods carriers, e.g., Amended Petition ¶¶ 7, 14, 16. We therefore construe the Petition as requesting exemptions from WAC Chapter 480-15.

- hourly fee for labor based on the storage plan, which will not exceed the maximum hourly rate set forth in Item 230; and (3) a flat rate per item.
- b. An exemption from Tariff 15-C Item 95(1)(g) to allow the Company to use 30 days to define permanent storage. Because Clutter is primarily a storage company and owns/controls the centralized warehouse where customers property is stored, the liability for the property does not change to another company at 30 days.
- c. An exemption from Tariff 15-C Item 230(2) to allow the Company to bill customers in actual time when hourly rates apply instead of 15-minute increments. The Company's software allows for actual job time to be billed.
- d. An exemption from Tariff 15-C Item 230(6). When hourly rates are applicable for storage related moves, Clutter request an exemption from the requirement to charge between the minimum and maximum rate. Clutter requests the ability to charge no more than the maximum rate in Item 230 without having a minimum rate.
- e. An exemption from Tariff 15-C Item 230(7), specifically the minimum charge of four hours before 8:00 a.m. and after 5:00 p.m., and on Saturday, Sunday, or state-recognized holiday for moves involving storage. Clutter submits that this provision could result in over-charging customers for smaller jobs on weekends and holidays.
- f. An exemption from Tariff 15-C, Item 102 (5)(b) and (c), requiring a contract for Small Goods Transportation and Storage. Clutter requests that it be allowed to use the Commission's standard bill of lading, which contains all the required information and contains appropriate customer protection.
- Finally, Clutter requests that the Commission open a proceeding to discuss revisions to Tariff 15-C.
- On September 21, 2021, the Public Counsel Unit of the Attorney General's Office (Public Counsel) filed written comments. Public Counsel recommends that the Commission grant the Company's requested exemptions only as to moving services with

a storage contract. Public Counsel also recommends that these exemptions be set to expire April 1, 2022.

- On October 13, 2021, the Washington Movers Conference (WMC) filed written comments. WMC strongly opposes the Company's requested exemptions. It notes that the household goods industry regularly provides storage services under current tariffs, which were generated after workshops with stakeholder involvement. WMC asserts that certain tariff items, such as hourly rates and minimum rates, were determined to be the bare minimum compensatory rate for household goods carriers.
- On October 14, 2021, the Commission convened its regularly scheduled open meeting and heard further comments from Clutter, WMC, Staff, and Public Counsel. The Company and stakeholders provided further statements in support of their written comments.
- Commission staff (Staff) recommends that the Commission grant the Company's Amended Petition subject to conditions. With respect to each of Clutter's requests, Staff notes:
 - a. Staff supports the Company's request for an exemption from Tariff 15-C, Item 230 to charge certain fees in addition to their monthly unregulated storage fee. Staff notes that storage is an unregulated, competitive market, and that this exemption would only apply when a customer has a contract for storage. Staff has also investigated Clutter's business practices and did not find instances of the Company billing customers higher than the published tariff rates. Further, Staff concludes the exemption would not give Clutter a competitive advantage because the exemption would only apply to Clutter's storage customers.²
 - b. Staff also supports the Company's request for an exemption from Tariff 15-C, Item 95(1)(g), which would allow Clutter to use 30 days to define "permanent storage" on customers' bills of lading.
 - c. Staff supports the Company's request for an exemption from Tariff 15-C, Item 230(2) to allow the Company to bill customers in actual time instead

² See Docket TV-200432, Investigation Report Clutter, Inc.

- of 15-minute increments. Staff agrees that customers should receive the benefit of more accurate time measurement.
- d. Staff agrees with the Company's request for an exemption from Tariff 15-C Item 230(6), which would allow the Company to bill lower than the minimum rate. Customers with storage contracts should receive the benefit of efficiency and competition.
- e. Staff agrees that it is in the best interests of customers to grant Clutter an exemption from Tariff 15-C, Item 230(7) and Item 230(3), which will allow the Company to bill less than the minimum number of hours stated in the tariff.
- f. With respect to the request for an exemption from Tariff 15-C, Item 102 (5)(b) and (c), Staff agrees that the standard bill of lading and Item 102 contract are similar, and that the Company should be allowed to use the standard bill of lading in place of the Item 102 contract.
- Staff therefore recommends that the Commission grant the Company's Amended Petition subject to conditions. Specifically, Staff recommends that:
 - 1. The exemptions granted in this Order should expire May 1, 2022;
 - 2. Clutter must participate in the Staff led industry wide tariff revision process, which will address the issues identified in the Amended Petition;
 - 3. Clutter must include sufficient information (*e.g.*, number of workers, number of hours) on bills of lading so the Commission can determine whether the rates charged to customers are below the maximum rates established in Tariff 15-C; and
 - 4. The exemptions only apply to moves where a storage contract is in place.

DISCUSSION

- We grant the Company's Amended Petition subject to the conditions recommended by Staff. We conclude that granting Clutter certain exemptions until the Commission considers possible modifications to Tariff 15-C for companies providing household goods moves with contracts for storage services is consistent with the public interest. The requested exemptions benefit consumers without competitively disadvantaging other regulated household goods carriers.
- Pursuant to WAC 480-15-035, the Commission may grant an exemption to any rule pertaining to household goods carriers "when doing so is consistent with the public interest, the purposes underlying regulation, and applicable statutes."³
- Clutter's Amended Petition is primarily concerned with the requirements of the industry-wide Tariff 15-C. The Commission publishes Tariff 15-C for regulated household goods carriers. Pursuant to WAC 480-15-490(3), all household goods carriers are required to follow the terms, conditions, rates, and other requirements of the tariff.
- Clutter's Amended Petition raises valid concerns as to how Tariff 15-C applies to the Company's specific business model. The current tariff may require billing practices or impose other requirements that place Clutter at a competitive disadvantage compared to other storage services, which are not regulated by the Commission. We therefore agree that it is appropriate to open a docket to discuss revisions to Tariff 15-C given developments in the household goods moving market involving contracts for storage services.
- By this Order, however, we neither resolve Clutter's concerns with Tariff 15-C nor require the Company to file an individual tariff. For the present time, we conclude it is both consistent with the public interest and sufficient to grant the Company's requested exemptions from Tariff 15-C and Chapter 480-15 WAC. These exemptions generally have the effect of providing customers with more accurate billing and, in some instances, allow the Company to charge below the minimum rates set in Tariff 15-C. While Clutter also seeks authority to include additional charges, the market for storage services is generally a competitive market, and the Company does not seek to exceed the maximum hourly rate set by the current tariff.

³ Accord WAC 480-07-110.

⁴ See generally In the Matter of Amending Washington Utilities and Transportation Commission Tariff 15-C, Relating to Intrastate Transportation of Household Goods, Docket TV-210326 Order 01 (July 29, 2021) (approving revisions to Tariff 15-C effectively July 30, 2021).

- We also grant these exemptions subject to the conditions recommended by Staff. Staff appropriately recommends that the exemptions expire on May 1, 2022, and that they only apply to moves where a storage contract is in place. Staff would also require Clutter to provide sufficient documentation in bills of lading and to participate in future, holistic, and comprehensive discussions related to Tariff 15-C revisions that will be open to all interested stakeholders, including WMC and the businesses it represents. These conditions will limit the scope of the exemptions, and will assist the Commission with considering any future modifications to Tariff 15-C.
- We have also considered WMC's written comments. To the extent that WMC objects to Clutter's specific, requested exemptions, we note that they are temporary and that WMC will have an opportunity to raise and address its concerns in the tariff revision proceeding we direct Staff to open by this Order.

FINDINGS AND CONCLUSIONS

- 18 (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.
- (2) Clutter is engaged in the business of providing household goods services within the state of Washington and is a public service company subject to Commission jurisdiction.
- 20 (3) Clutter is subject to **Error! Reference source not found.**490, which requires household goods companies to follow the terms, conditions, rates, and other requirements of the published tariff.
- 21 (4) Under WAC 480-15-035, the Commission may grant an exemption from the provisions of any rule in WAC 480-15, if consistent with the public interest, the purposes underlying regulation and applicable statutes. See also WAC 480-07-110.
- 22 (5) This matter came before the Commission at its regularly scheduled meeting on October 14, 2021.

⁵ Our finding is also consistent with Public Counsel's comments, which match Staff's recommendations in all material respects and recommend that the exemptions expire one month earlier on April 1, 2022.

23 (6) After reviewing the Amended Petition filed in Docket TV-210535 by Clutter on July 2, 2021, and giving due consideration, the Commission finds that the requested exemptions, as set forth in paragraph 4 of this order, are in the public interest and are consistent with the purposes underlying the regulation and applicable statutes and should be granted.

ORDER

THE COMMISSION ORDERS:

- 24 (1) After the effective date of this Order, Clutter, Inc., is granted exemptions from **Error! Reference source not found.** and Tariff 15-C, as set forth in paragraph 4 of this Order.
- The exemptions granted to Clutter, Inc., in this Order are subject to the following conditions: (1) the exemptions granted in this Order shall expire May 1, 2022; (2) Clutter shall participate in the Staff led industry wide, holistic and comprehensive tariff revision process for Tariff 15-C that will be open to all interested stakeholders, including WMC and the businesses it represents; (3) Clutter shall include sufficient information (*e.g.*, number of workers, number of hours) in bills of lading so the Commission can determine whether the rates charged to customers are below the maximum rates established in Tariff 15-C; and (4) the exemptions only apply to moves where a storage contract is in place.
- 26 (3) The Commission retains jurisdiction over the subject matter and Clutter, Inc. to effectuate the provisions of this Order.

Dated at Lacey, Washington, and effective October 14, 2021.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner