

Smith, Ryan (UTC)

From: Jacob Alden <jacoba@aerelocations.com>
Sent: Friday, September 27, 2019 4:58 PM
To: UTC DL Records Center
Subject: Docket TV-190664

Hi, Honorable Commission Staff,

We appreciate you considering removing the upper band of the Tariff 15-C. It is my understanding that this upper band has remained in place since 1991.

Please consider the following costs in 1991:
Minimum wage was \$4.25/hour
Regular gas was \$1.14 / gallon
Median Home Value was \$119,000

Since prior to 2015, we have been operating at Max Tariff for IntraState moves. We have also not performed any IntraState moves for fewer than 5000lbs.

In many cases, an IntraState move is performed at quite a distance away, and frequently an overnight trip due to FMSCA driving limitations. Also, we usually do not have a return job to bring us loaded back home. So, we wind up driving empty back to our office. Hotels are usually booked in Spokane and Wenatchee on the weekends during the summer months in advance. To get a hotel more last minute, the price of a one-night stay is usually over \$160/night plus taxes and fees. Paying labor to sit in the truck while the driver is driving is also expensive and wasted money, but necessary to comply with ESD and L&I laws. Also, when on an overnight trip, we pay a per-diem for food. Food prices have increased dramatically as well. We haven't done a cost-analysis this year, but last year the net profit was its lowest ever and made us think that we might not want to do IntraState moves much longer. There has to be a certain margin of profit to pay for overhead, otherwise we are just working for free.

I don't believe in making certain caps for certain regions. By trying to regulate price by region, the Commission might accidentally create an unfair marketplace.

That is why I am glad you are considering "taking the top off" the Tariff 15-C. In this way, if a moving company in Wenatchee can perform at a lower rate than our company in the Puget Sound, than they have that option without being limited by the Tariff.

For local rates, we've been operating within a couple dollars of Max Tariff, and utilizing the minimum hours clause as well.

This is because it takes at least \$150 just to turn the truck "on". We have to employ a salesperson, a move coordinator, a dispatcher, a warehouseman, a mechanic, and the driver just to turn on a truck to start a job. Also, rental rates in 2019 for our warehouse have gone up 50% here in Lacey from 2014. This needs to be paid for in our margins.

Fuel is a variable, and keeps increasing over the years. Please see 1991 (above).

My carton (box and packaging) rates have increased 10-18% per year since 2014. I'm about double on these costs then we were.

Traffic, especially in Thurston and Pierce Counties has worsened each year with construction and more people living in the area.

We have several new employment taxes and regulation that have hit all business. These need to be covered in our rates, as we employ people legally. (Some movers employ under the table labor.)

I pay for health care for my team. These rates have gone up almost double in 5 years.

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Minimum wage is increasing to \$15/hour. (I pay my people more than that, but I want to keep above minimum wage at all times.)

In short, I'm up against the Max Tariff for the reasons above. I try to run a fair company for my customers and employees.

My costs keep going up, but the Tariff has not kept up with Life.

Thank you for considering!



Jacob Alden / President

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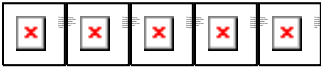
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