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A P P E A R A N C E S

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ADMINISTRATIVE LAW JUDGE:

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EXHIBIT INDEX

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2	8		Declaration of Lisa Wyse and Proof of Service of Complaint in Docket TV-121722, dated 12/31/12 (4 pp)
MP-1	15		2011 Annual Report for + Always Moving, Inc. (7 pp)
MP-2	15		ARTS record for + Always Moving, Inc. Showing payment of 2012 Regulatory Fee (1 p.)
MP-3	16		2011 Annual Report for A A Star Transfer Co., Inc. and Cover Letter (8 pp.)
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OLYMPIA, WASHINGTON; FEBRUARY 4, 2013

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1:29 P.M.

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P R O C E E D I N G S

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JUDGE WATSON: Let's go on the record.

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My name is Stephany Watson, I am the

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administrative law judge in this proceeding before the

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Washington Utilities and Transportation Commission.

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The docket number at issue is No. TV-121722, and it is

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a complaint for cancellation of permit or failure to

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pay regulatory fees and failure to file annual

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reports.

15

Counsel for the State has asked for a short

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break to confer with its witness. We will go back on

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the record in 10 or 15 minutes.

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MS. CAMERON-RULKOWSKI: Perfect, Your

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Honor. Thank you.

20

JUDGE WATSON: Okay.

21

(A brief recess.)

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JUDGE WATSON: We are back on the record

23

in Docket No. TV-121722 by the Washington Utilities

24

and Transportation Commission against respondents,

25

there are seven of them in this case, 3rd Generation

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1 Movers and Hauling, A+ Always Moving, Inc., A A Star
2 Transfer Company, Inc., Always Able Moving Service,
3 LLC, ARAYS Moving Service, LLC, d/b/a A-Rays Moving
4 Solutions, Grayport Transfer & Storage Co., Inc., and
5 Thunder Movers, LLC.

6 This is a case in which the Commission is
7 seeking cancellation of the permits of these seven
8 household goods carriers that have failed to pay
9 regulatory fees as required by RCW 80.80.321, and
10 failed to file annual reports as required by RCW
11 80.04.080.

12 Now, I may be mistaken again, and I'm sure
13 counsel will point this out, but my understanding is
14 that in this case, the Commission is also seeking
15 penalties against the companies of \$100 a day for each
16 business day after May 1, 2012, that the report was
17 not filed, the fees were not paid, and an additional
18 fee of \$25 per day of each violation for the last five
19 years. That's what I have.

20 The parties are present. Will their attorneys
21 please introduce themselves?

22 First of all let me see, is anyone on the
23 bridge line, on the phone?

24 Thank you. Go ahead, Ms. Cameron-Rulkowski.

25 MS. CAMERON-RULKOWSKI: Thank you, Your

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1 Honor.

2 Appearing on behalf of Commission Staff,
3 Jennifer Cameron-Rulkowski, Assistant Attorney
4 General. My address is 1400 South Evergreen Park
5 Drive Southwest, Olympia, Washington 98504-7250. My
6 telephone number is (360) 664-1186. My fax number is
7 (360) 586-5522. My e-mail address is
8 jcameron@utc.wa.gov.

9 Your Honor, I did have a couple of preliminary
10 motions, if you would like me to begin with those.

11 JUDGE WATSON: Sure. Thanks.

12 MS. CAMERON-RULKOWSKI: First off, Staff
13 moves to dismiss Thunder Movers, LLC, from this
14 proceeding because the Commission already had
15 cancelled the company's permit in another docket
16 before the complaint issued in the instant proceeding.
17 In Docket TV-121626, Thunder Mover's permit was
18 suspended, effective October 9, 2012, for 30 days, for
19 failure to file acceptable proof of insurance with the
20 Commission. The Commission subsequently cancelled
21 Thunder Mover's permit on or about November 16th,
22 2012. I do have a copy here of the cancellation order
23 that is on file in Docket TV-121626. I am asking the
24 Commission to take official notice of this order.

25 I am referring now to what has been marked as

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1 Exhibit No. 1. Pursuant to WAC 480-07-495, the
2 Commission may take official notice of rules,
3 regulations, administrative rulings and orders
4 exclusive of findings of fact of the Commission and
5 other governmental agencies.

6 Staff offers this copy of the Thunder Mover's
7 cancellation order from Docket TV-121626 for admission
8 into evidence as Exhibit 1.

9 JUDGE WATSON: This exhibit will be
10 admitted and the motion granted. I don't see any
11 reason to delay this particular one.

12 MS. CAMERON-RULKOWSKI: Thank you, Your
13 Honor.

14 Now, since the complaint in this proceeding
15 was issued, some of the respondent companies have
16 filed annual reports and paid regulatory fees. For
17 each of these companies I plan to present evidence of
18 the company's compliance through Mr. Perkinson, seated
19 to my right. After the evidence has been presented,
20 Staff intends to move for dismissal of the complaint
21 with respect to some of these companies. With regard
22 to the remaining companies, Staff asks the Commission
23 to find each of them in default.

24 The companies that Staff is asking the
25 Commission to find in default are 3rd Generation

0008

1 Movers and Hauling, A A Star Transfer Co., Inc.,
2 Always Able Moving Service, LLC, Grayport Transfer &
3 Storage.

4 Each of these companies was served by the
5 Commission by mail, and the proof of service is on
6 file in the records center under this docket. We have
7 a copy of that here, and that's marked as Exhibit 2.
8 From this proof of service, you can see that the
9 respondents were served by first class mail and by
10 registered mail with return receipt requested at the
11 addresses on file with the Commission.

12 Under WAC 480-15-065, a household goods
13 carrier is required to immediately notify the
14 Commission in writing if its mailing address changes.
15 The service was valid under the Commission's service
16 rule, WAC 480-07-150, which authorizes the Commission
17 in Subsection 7 to serve its notices, complaints and
18 orders by mail, properly addressed, with first class
19 postage prepaid. Some of the mailings were returned,
20 or at least one of them was returned. I do have a
21 question or two for Mr. Perkinson about that once he
22 is sworn in.

23 At this time, Staff offers Exhibit 2 for
24 admission into evidence.

25 JUDGE WATSON: Exhibit 2 will be

0009

1 admitted.

2 MS. CAMERON-RULKOWSKI: Staff asks that
3 the Commission find the respondents that I listed
4 earlier, in default under RCW 34.05.440 and WAC
5 480-07-450, for failure to appear at this hearing.
6 Staff further requests under these authorities that
7 the Commission proceed with the hearing and dispose of
8 the substantive issues.

9 JUDGE WATSON: We will do so, thank you.
10 3rd Generation Movers and Hauling, A A Star,
11 Always Able, Grayport?

12 MS. CAMERON-RULKOWSKI: That's correct,
13 Your Honor.

14 JUDGE WATSON: Okay.

15 MS. CAMERON-RULKOWSKI: At this time I
16 would like to call Mr. Perkinson.

17 JUDGE WATSON: Mr. Perkinson, please
18 raise your right hand.

19

20 MATHEW PERKINSON, witness herein, having been
21 first duly sworn on oath,
22 was examined and testified
23 as follows:

24 JUDGE WATSON: Thank you.

25

0010

1 D I R E C T E X A M I N A T I O N

2 BY MS. CAMERON-RULKOWSKI:

3 Q Good afternoon, Mr. Perkinson.

4 A Hello.

5 Q Please state and your spell your name.

6 A Mathew Perkinson, M-A-T-H-E-W,

7 P-E-R-K-I-N-S-O-N.

8 Q Please state the name of your employer.

9 A The Washington Utilities and Transportation
10 Commission.

11 Q In what position are you employed by the
12 Commission?

13 A I am a compliance investigator.

14 Q How long have you been employed in this
15 position?

16 A For eight months.

17 Q How long have you been employed by the
18 Commission?

19 A 20 months.

20 Q Please briefly describe your responsibilities
21 as they pertain to this matter.

22 A Okay. I conduct investigations regarding the
23 business practices of regulated utility and
24 transportation companies. As part of my duties, I
25 investigate companies that are delinquent in filing

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1 annual reports and paying regulatory fees.

2 Q What statute or rule do you understand to be
3 at issue in this proceeding today?

4 A RCW 81.04.080, which requires each household
5 goods carrier to file an annual report with the
6 Commission, RCW 81.80.321, which requires each
7 household goods carrier to pay an annual regulatory
8 fee, and WAC 480-15-480, which requires household
9 goods carriers to submit annual reports and regulatory
10 fees to the Commission no later than May 1st.

11 Q Are you familiar with the companies that are
12 named in this proceeding?

13 A Yes.

14 Q I will be asking you some questions later
15 about each individual company, but can you describe
16 generally how you are familiar with the respondent
17 companies?

18 A After May 1st, the financial services section
19 provides me with a list of all the companies that are
20 delinquent in filing an annual report and for paying
21 regulatory fees. The list is generated in the
22 Commission's Annual Report Tracking System, or ARTS
23 database. Financial services staff enters receipt
24 information for annual reports and regulatory fees and
25 a record is created for each company. Using the

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1 companies on that list, I send out a notice of
2 enforcement, which tells the companies that their
3 penalty would be reduced from \$100 per day to \$25 per
4 day if they file their annual report and pay
5 regulatory fees no later than May 25th.

6 Two months after that, I issue penalty
7 assessments for companies who are late in filing or
8 had still not filed annual reports or paid regulatory
9 fees. And then three months after that, financial
10 services provides me with a list of companies that
11 still had not filed annual reports or paid regulatory
12 fees, which is also generated in the Commission's ARTS
13 database.

14 Finally, in this process, I recommend, based
15 on my investigation, the companies' permits be
16 cancelled for failure to file annual reports or pay
17 regulatory fees.

18 Q Now, I have a couple of questions about
19 service for you. According to the proof of service in
20 this docket, the complaint was served by first class
21 mail and also was sent by certified mail. Were any of
22 the certified mailings returned?

23 A Yes, Always Able Moving and Hauling, LLC, was
24 returned unclaimed, unable to forward.

25 Q Were any of the first class mailings returned?

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1 A No.

2 Q Have any of the respondent companies filed an
3 annual report or paid regulatory fees since the
4 complaint issued?

5 A Yes.

6 Q How did you determine that these companies had
7 come into compliance?

8 A I checked the Commission's ARTS database.

9 Q And when was the last time you checked ARTS?

10 A Today. This morning.

11 Q I will be asking you about the individual
12 companies now, in the order in which they are listed
13 in the complaint.

14 Was 3rd Generation Movers and Hauling one of
15 the companies referred to you by financial services?

16 A Yes.

17 Q Has 3rd Generation Movers and Hauling filed a
18 2011 annual report or paid the 2012 regulatory fee?

19 A No.

20 Q What is your recommendation to the Commission
21 regarding this company?

22 A I recommend that the Commission cancel the
23 company's permit.

24 Q Was A+ Always Moving, Inc., one of the
25 companies referred to you by financial services?

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1 A Yes.

2 Q Has A+ Always Moving, Inc., filed a 2011
3 annual report or paid 2012 regulatory fees?

4 A Yes, they have.

5 Q Please turn your attention to the document
6 that's marked MP-1.

7 A (Complies.)

8 Q Is this document a true and correct copy of
9 the 2011 annual report that A+ Always Moving, Inc.,
10 recently filed with the Commission?

11 A Yes.

12 Q When was that report filed?

13 A January 30th, 2013.

14 Q Has A+ Always Moving, Inc., remitted its 2012
15 regulatory fee?

16 A Yes.

17 Q Please turn your attention to the document
18 marked Exhibit No. MP-2.

19 A (Complies.)

20 Q Is this document a true and correct copy of
21 the ARTS record for this carrier?

22 A Yes.

23 Q When did A+ Always Moving, Inc., remit the
24 2012 regulatory fee?

25 A Also January 30th, 2013.

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1 MS. CAMERON-RULKOWSKI: I offer Exhibits
2 MP-1 and MP-2 for admission into evidence.

3 JUDGE WATSON: They will be admitted.

4 Q What is your recommendation regarding this
5 company?

6 A I recommend that the company's permit not be
7 cancelled and that the Commission dismiss the
8 complaint against the company.

9 Q Was A A Star Transfer Co., Inc., one of the
10 companies referred to you by financial services?

11 A Yes.

12 Q Has A A Star Transfer Co., Inc., filed a 2011
13 annual report?

14 A Yes.

15 Q Please turn your attention to the exhibit
16 marked MP-3.

17 A (Complies.)

18 Q Is this document a true and correct copy of
19 the 2011 annual report that A A Star Transfer Co.,
20 Inc., recently filed with the Commission?

21 A Yes.

22 Q When was that report filed?

23 A It was filed today, February 4th, 2013.

24 Q Has A A Star Transfer Co., Inc., paid its 2012
25 regulatory fee?

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1 referring only to the penalty, the 2 percent penalty,
2 that is required under RCW 81.80.321 for late-filed
3 annual reports. When a company does then pay its --
4 sorry, for late-filed regulatory fees. When a company
5 does pay its regulatory fee, then they are required in
6 that statute to add a penalty, that is provided for
7 right in that statute, and then also a fee. That's
8 set forth in RCW 81.80.321.

9 JUDGE WATSON: And A A Star did not pay
10 that?

11 MS. CAMERON-RULKOWSKI: That's correct,
12 Your Honor. That is what Mr. Perkinson just
13 testified.

14 JUDGE WATSON: Right, I just wanted to
15 clarify. I still don't understand about A+. Was A+
16 required to pay a similar penalty?

17 MS. CAMERON-RULKOWSKI: Yes, your Honor,
18 it's automatic. They would have paid that amount. In
19 fact, it is calculated right on the regulatory fee
20 calculation sheet, which is the last page of the
21 annual report.

22 JUDGE WATSON: So they paid it?

23 MS. CAMERON-RULKOWSKI: That's correct,
24 Your Honor.

25 Mr. Perkinson, do you agree with my

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1 representations?

2 MR. PERKINSON: Yes, A+ Always Moving
3 paid \$51.12.

4 JUDGE WATSON: Okay, good. Thank you.

5 Q And, Mr. Perkinson, what is your
6 recommendation for A A Star Transfer Co., Inc.?

7 A I recommend that the company's permit not be
8 cancelled on the condition that the company pay the
9 statutory penalty and fee within ten days after the
10 order in this proceeding is issued.

11 Q Thank you.

12 Was Always Able Moving Service, LLC, one of
13 the companies referred to you by financial services?

14 A Yes.

15 Q Has Always Able Moving Services, LLC, filed a
16 2011 annual report or paid the 2012 regulatory fee?

17 A No.

18 Q What is your recommendation to the Commission
19 regarding this company?

20 A I recommend the Commission cancel the
21 company's permit.

22 Q Was Arays Moving Service, LLC, one of the
23 companies referred to you by financial services?

24 A Yes, it was.

25 Q Has Arays Moving Service, LLC, filed a 2011

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1 annual report or paid 2012 regulatory fees?

2 A Yes.

3 Q Please turn your attention to the document
4 marked MP-5.

5 A (Complies.)

6 Q Is this document a true and correct copy of
7 the 2011 annual report that Arays Moving Service, LLC,
8 recently filed with the Commission?

9 A Yes.

10 Q When was this report filed?

11 A Today, February 4th, 2013.

12 Q Has Arays Moving Service, LLC, remitted its
13 2012 regulatory fee?

14 A Yes.

15 Q Please turn your attention to the exhibit
16 marked MP-6.

17 A (Complies.)

18 Q Is this document a true and correct copy of
19 the ARTS record for this carrier?

20 A Yes.

21 Q When did Arays Moving Service, LLC, remit the
22 2012 regulatory fee?

23 A Also today, February 4th, 2013.

24 Q Looking at this ARTS record, it appears that
25 there still is an outstanding balance. Can you please

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1 explain that?

2 A Yes, the company has submitted its payment
3 today. It is pending the credit card company
4 processing that payment.

5 Q For the purposes of this proceeding, do you
6 consider that the company has come into full
7 compliance?

8 A Yes, I do.

9 MS. CAMERON-RULKOWSKI: I offer Exhibits
10 MP-5 and MP-6 for admission into evidence.

11 JUDGE WATSON: They will be admitted.
12 If you could just give me a second to take a note,
13 however, I would appreciate it.

14 MS. CAMERON-RULKOWSKI: Certainly, Your
15 Honor.

16 (Pause in the proceedings.)

17 JUDGE WATSON: Okay. Thank you.

18 MS. CAMERON-RULKOWSKI: Certainly, Your
19 Honor.

20 Q What is your recommendation for this company?

21 A I recommend that the company's permit not be
22 cancelled and the Commission dismiss the complaint
23 against the company.

24 Q Was Grayport Transfer & Storage one of the
25 companies referred to you by financial services?

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1 A Yes.

2 Q Has Grayport Transfer & Storage filed a 2011
3 annual report?

4 A Yes.

5 Q Please turn your attention to the document
6 marked Exhibit MP-7.

7 A (Complies.)

8 Q Is this document a true and correct copy of
9 the 2011 annual report that Grayport Transfer &
10 Storage recently filed with the Commission?

11 A Yes, it is.

12 Q When was that report filed?

13 A Today, February 4th, 2013.

14 Q Has Grayport Transfer & Storage paid its 2012
15 regulatory fee?

16 A It's like A A Star. The company has paid a
17 portion, the \$156.82 portion of the penalty, and the
18 late payment and interest remaining on the account is
19 \$17.25.

20 Q Please turn your attention to the document
21 marked Exhibit No. MP-8.

22 A (Complies.)

23 Q Is this document a true and correct copy of
24 the ARTS record for this carrier?

25 A Yes, it is.

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1 Q And the regulatory fee amount, as well as the
2 penalty and the late fee amount that you just
3 testified about, is that represented here on this ARTS
4 record?

5 A Yes, it is. You can find those totals under
6 the charged amount column near the bottom of the page.

7 Q And when did Grayport Transfer & Storage pay
8 the regulatory fee portion of the amount that was due?

9 A Today.

10 Q For the purposes of this proceeding, do you
11 consider that the company has come into full
12 compliance?

13 A No.

14 MS. CAMERON-RULKOWSKI: I offer Exhibits
15 No. MP-7 and MP-8 for admission into evidence.

16 JUDGE WATSON: They will be admitted.

17 Q What is your recommendation for this company?

18 A I recommend that the company's permit not be
19 cancelled on the condition that the company pay the
20 statutory penalty and fee within ten days after the
21 order in this proceeding issues.

22 Q Thank you.

23 MS. CAMERON-RULKOWSKI: I have no
24 further questions for Mr. Perkinson.

25 I do have a brief summary prepared, when you

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1 are ready.

2 JUDGE WATSON: I don't think I have any
3 questions. I think you covered it, subject to check.

4 (Pause in the proceedings.)

5

6 E X A M I N A T I O N

7 BY JUDGE WATSON:

8 Q So the question is, there's two types of
9 penalties. Were Grayport and A A Star assessed
10 penalties besides the 2 percent for failure to file
11 their report?

12 A Yes, both companies were assessed the \$2100
13 penalty.

14 Q They were. And did they pay?

15 A They have not paid those.

16 Q And where does that show up on ARTS?

17 A At the bottom of the page. If you are
18 looking -- are you looking for the annual report \$2100
19 penalty?

20 Q Yes.

21 A That portion isn't displayed in the ARTS
22 database. It would show under the docket for wherever
23 that penalty assessment was issued.

24 Q But you checked that docket to see whether or
25 not the 2100 had been paid?

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1 A Yes, I checked right before this hearing.

2 Q Well, the late interlopers -- so we talked
3 about Graystar and we talked about A A Star -- I'm
4 sorry, Grayport. And what about Arays?

5 A Arays did pay its penalty of \$2100 on
6 January 23rd, 2013.

7 Q So it paid the penalty before it filed the
8 annual report and paid the annual fee? Because you
9 said -- unless I got this wrong, because I thought you
10 said that the credit card company was still processing
11 their payment?

12 A That's correct. The company filed its annual
13 report and then it paid the regulatory fees today. It
14 paid the penalty assessment of \$2100 on January 23rd.

15 Q Oh, okay. That's interesting.

16 And A+, were they assessed and did they pay
17 \$2100?

18 A The company was assessed and it has not paid
19 the \$2100.

20 Q That covers the late filers.

21 JUDGE WATSON: Did you have some closing
22 remarks?

23 MS. CAMERON-RULKOWSKI: Yes, your Honor.
24 At this time I would like to summarize Staff's
25 recommendations.

1 Staff recommends that the Commission cancel
2 the permits of two of the household goods carriers
3 named in this proceeding, 3rd Generation Movers and
4 Hauling and Always Able Moving Service, LLC. Neither
5 of these companies filed a 2011 annual report, nor
6 remitted regulatory fees for 2012.

7 A A Star Transfer Co., Inc., and Grayport
8 Transfer & Storage have filed their annual reports and
9 have paid regulatory fees but have not paid the
10 penalty and interest on late regulatory fees required
11 by RCW 81.80.321. For these companies Staff
12 recommends that the companies' permit not be cancelled
13 on the condition that these companies pay the
14 statutory penalty and fee within ten days after the
15 order in this proceeding issues.

16 With regard to Thunder Movers, LLC, this
17 company has been dismissed from the proceeding by
18 yourself, earlier today.

19 The remaining respondent companies in this
20 proceeding have come into compliance, and Staff has
21 presented evidence that they filed the annual report
22 and paid all of the required fees. Staff therefore
23 moves to dismiss the Commission's complaint against A+
24 Always Moving, Inc., and Arays Moving Service, LLC.

25 That concludes Staff's presentation.

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1 JUDGE WATSON: Thank you.

2 MS. CAMERON-RULKOWSKI: I would remark
3 that I'm available for discussion regarding the \$2100
4 penalties, if you wish to discuss that.

5 JUDGE WATSON: With regard to the other
6 docket that we talked about this morning?

7 MS. CAMERON-RULKOWSKI: It appears that
8 the issue has arisen in both dockets. Perhaps I
9 should -- however you would like to discuss that,
10 Staff is available.

11 JUDGE WATSON: Well, I think that's
12 fine. I think we can just move over to
13 Docket No. UT-121721.

14 (Hearing concluded 2:22 p.m.)

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C E R T I F I C A T E

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STATE OF WASHINGTON

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COUNTY OF KING

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I, Sherrilyn Smith, a Certified

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Shorthand Reporter in and for the State of Washington,

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do hereby certify that the foregoing transcript is

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true and accurate to the best of my knowledge, skill

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and ability.

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SHERRILYN SMITH

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