

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Investigation of, and  
Penalty Assessment against,

PACIFIC QUALITY MOVERS LLC  
d/b/a PERFECT QUALITY MOVER;  
PQ MOVERS

For Violations of WAC 480-15

DOCKET TV-220647

ORDER 01

CANCELING HEARING;  
APPROVING SAFETY  
MANAGEMENT PLAN;  
MAINTAINING SAFETY RATING;  
IMPOSING AND SUSPENDING  
PENALTIES

**BACKGROUND**

- 1 On September 8, 2022, the Washington Utilities and Transportation Commission (Commission) issued a Notice of Intent to Cancel and Notice of Brief Adjudicative Proceeding; Setting Time for Oral Statements in the Matter of the Investigation of Pacific Quality Movers LLC d/b/a Perfect Quality Mover; PQ Movers (Pacific Quality or Company) for Compliance with Washington Administrative Code (WAC) 480-15 (Notice).
- 2 The Notice explained that Commission staff (Staff) conducted a compliance review of the Company's operations in August 2022 and cited the Company for 33 violations of critical federal and state safety regulations, which resulted in a proposed conditional safety rating. Based on its review, Staff recommended the Commission cancel the Company's household goods carrier permit unless Pacific Quality obtains Commission approval of a safety management plan. The Notice directed Pacific Quality to file a proposed safety management plan by September 29, 2022. The Commission also set a brief adjudicative proceeding for October 13, 2022, at 2 p.m. to determine whether the Commission should cancel the Company's household goods carrier permit.
- 3 On September 9, 2022, the Commission assessed a \$1,300 penalty (Penalty Assessment) against Pacific Quality for the safety violations discovered during Staff's compliance review.<sup>1</sup> The Penalty Assessment includes:

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<sup>1</sup> The Penalty Assessment cites violations of Washington Administrative Code (WAC) 480-15-555, WAC 480-15-560, and WAC 480-15-570. WAC 480-15-560 and -570 adopt by reference sections of Title 49 Code of Federal Regulations (C.F.R.). Accordingly, Commission safety

- A \$300 penalty for three violations of WAC 480-15-555 for failing to complete a criminal background check for each person the Company intended to hire.
- A \$700 penalty for seven violations of 49 C.F.R. § 391.45(a) for using a driver not medically examined and certified.
- A \$100 penalty for one violation of 49 C.F.R. § 391.51(a) for failing to maintain a driver qualification file for each driver.
- A \$100 penalty for 30 violations of 49 C.F.R. § 395.8(a)(1) for failing to require drivers to prepare records of duty status.
- A \$100 penalty for one violation of 49 C.F.R. § 396.3(b) for failing to keep minimum records of inspection and vehicle maintenance.

4 On September 23, 2022, Pacific Quality filed with the Commission a request for mitigation of the penalty. In its request, the Company admitted to the violations, stated it had implemented corrective actions, and requested the penalty be reduced because it would create a financial hardship.

5 On October 1, 2022, Pacific Quality submitted a proposed safety management plan.

6 On October 12, 2022, Staff filed with the Commission its evaluation of the Company's safety management plan and penalty recommendation (Evaluation). In its Evaluation, Staff indicated that the Company waived its right to a hearing and requested the Commission cancel the brief adjudicative proceeding and decide this matter on a paper record.

7 Based on its review of the Company's proposed plan, Staff determined that the Company took all the required steps to bring its safety operations into compliance with Commission regulations. Staff recommends that the Commission maintain the Company's safety rating as conditional, but also extend the Company's provisional permit period until such time as the Company achieves a satisfactory safety rating. Staff further recommends that the Commission reduce the assessed penalty to \$650 because Pacific Quality corrected these first-time violations and took steps to prevent future occurrences.

### **DISCUSSION AND DECISION**

8 Washington Law requires household goods carriers to comply with federal safety requirements and undergo routine safety inspections. Staff's compliance review of Pacific Quality found 33 violations of critical regulations, which resulted in a proposed

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regulations with parallel federal rules are hereinafter referenced only by the applicable provision of Title 49 C.F.R.

conditional safety rating. Violations classified as “critical” are indicative of a breakdown in a carrier’s management controls. Patterns of noncompliance with a critical regulation are quantitatively linked to inadequate safety management controls and usually higher-than-average accident rates.

- 9 On October 1, 2022, Pacific Quality submitted its proposed safety management plan and requested the Commission allow it to maintain its household goods permit.
- 10 On October 12, 2022, Staff filed its Evaluation of the Company’s proposed safety management plan. Staff determined that the Company’s plan addresses each violation, identifies how each violation occurred, describes the steps taken to correct each violation, and describes the controls put in place to ensure compliance going forward. Staff concludes that the Company’s safety management plan is acceptable and satisfies the legal requirements of 49 C.F.R. Part 385. We agree.
- 11 Based on Staff’s Evaluation, the Commission finds that the Company has achieved compliance with WAC 480-15 by correcting the violations that led to the proposed conditional safety rating. Accordingly, the Commission agrees with Staff’s recommendation and grants the Company’s request to maintain its household goods permit.
- 12 We likewise agree with Staff’s recommendation to extend the Company’s provisional period for its household goods carrier permit. WAC 480-15-305(1)(b) provides that, prior to a grant of permanent authority, an applicant must complete a provisional period of not less than six months and not more than 18 months unless the Commission determines for good cause that the provisional period should be extended. Good cause may include, among other things, a carrier that has not yet achieved a satisfactory safety rating but is making substantial progress toward a satisfactory rating. Here, the Company has corrected the violations at issue and demonstrated that it has taken significant steps to ensure its operations comply with applicable safety regulations. Accordingly, the Commission finds good cause to extend the Company’s provisional period until such time as the Company achieves a satisfactory rating.
- 13 Finally, we agree with Staff’s recommendation to assess a reduced penalty. The Commission considers several factors when entertaining a request for mitigation, including whether the company introduces new information that may not have been considered in setting the assessed penalty amount, or explains other circumstances that

convince the Commission that a lesser penalty will be equally or more effective in ensuring the company's compliance.<sup>2</sup>

14 Here, Staff recommends the Commission assess a reduced penalty of \$650. We agree with Staff's recommendation. The Company provided a comprehensive safety management plan that details the steps it has taken to bring its operations into compliance with applicable regulations. The safety management plan includes documentation of insurance, driver qualifications, hours of service records, criminal background checks, U.S. Department of Transportation registration records, and vehicle maintenance files. Accordingly, we are satisfied that Pacific Quality has cured the violations that gave rise to the Penalty Assessment and has put adequate controls in place to prevent the violations from reoccurring. Pacific Quality must either pay the \$650 penalty or file jointly with Staff an agreed payment arrangement within 10 days of the effective date of this Order.

### **FINDINGS AND CONCLUSIONS**

- 15 (1) The Commission is an agency of the State of Washington, vested by statute with authority to regulate rates, rules, regulations, practices, and accounts of public service companies, including common carriers such as household goods carriers, and has jurisdiction over the parties and subject matter of this proceeding.
- 16 (2) Pacific Quality is a household goods carrier subject to Commission regulation.
- 17 (3) Pacific Quality cured the deficiencies that led to the proposed unsatisfactory safety rating. Accordingly, Pacific Quality's safety rating should be maintained as conditional, and the Company should be allowed to maintain its household goods carrier permit.
- 18 (4) Pursuant to WAC 480-15-305(1)(b), the Commission should find good cause to extend Pacific Quality's provisional period until such time as the Company achieves a satisfactory safety rating.
- 19 (5) Pacific Quality committed 33 critical violations of WAC 480-15 and Title 49 C.F.R.
- 20 (6) Pacific Quality does not dispute that the violations occurred.

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<sup>2</sup> Enforcement Policy ¶19.

- 21 (7) Pacific Quality should be penalized \$650 for 33 violations of WAC 480-15 and Title 49 C.F.R.

**ORDER**

THE COMMISSION ORDERS THAT:

- 22 (1) The Commission approves Pacific Quality Movers LLC d/b/a Perfect Quality Mover; PQ Movers' safety management plan.
- 23 (2) Pacific Quality Movers LLC d/b/a Perfect Quality Mover; PQ Movers' safety rating is maintained as conditional.
- 38 (3) The Commission assesses a \$650 penalty against Pacific Quality Movers LLC d/b/a Perfect Quality Mover; PQ Movers. Pacific Quality Movers LLC d/b/a Perfect Quality Mover; PQ Movers must either pay the penalty or file jointly with Staff an agreed payment arrangement within 10 days of the effective date of this Order.
- 24 (4) Pacific Quality Movers LLC d/b/a Perfect Quality Mover; PQ Movers' provisional period is extended until such time as the Company achieves a satisfactory safety rating.
- 25 (6) The Brief Adjudicative Proceeding set for October 13, 2022, is canceled.

DATED at Lacey, Washington, and effective October 12, 2022.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

*/s/ Rayne Pearson*  
RAYNE PEARSON  
Administrative Law Judge

## **NOTICE TO PARTIES**

This is an Initial Order. The action proposed in this Initial Order is not yet effective. If you disagree with this Initial Order and want the Commission to consider your comments, you must take specific action within the time limits outlined below. If you agree with this Initial Order and you would like the Order to become final before the time limits expire, you may send a letter to the Commission waiving your right to petition for administrative review.

WAC 480-07-610(7) provides that any party to this proceeding has 21 days after service of this initial order to file a petition for administrative review (Petition). Section (7)(b) of the rule identifies what you must include in any Petition as well as other requirements for a Petition. WAC 480-07-610(7)(c) states that any party may file a response to a Petition within 7 days after service of the Petition.

WAC 480-07-830 provides that before the Commission enters a final order any party may file a petition to reopen a contested proceeding to permit receipt of evidence that is essential to a decision, but unavailable and not reasonably discoverable at the time of hearing, or for other good and sufficient cause. The Commission will give other parties in the proceeding an opportunity to respond to a motion to reopen the record, unless the Commission determines that it can rule on the motion without hearing from the other parties.

WAC 480-07-610(9) provides that an Initial Order will become final without further Commission action if no party seeks administrative review of the Initial Order and if the Commission does not exercise administrative review on its own motion.

Any Petition or response must be electronically filed through the Commission's web portal, as required by WAC 480-07-140(5).