

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

ALL MY SONS MOVING & STORAGE OF
SEATTLE, INC.,

Respondent.

DOCKET NO. TV-050537

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into by both parties to this proceeding for the purpose of resolving all issues raised in the above docket.

I. PARTIES

The parties to this Agreement are All My Sons Moving & Storage of Seattle, Inc., (All My Sons) and the Staff of the Washington Utilities and Transportation Commission (Staff) (collectively, "the Parties").

II. BACKGROUND

2 In the spring of 2005, Staff performed a compliance audit of the business practices of All My Sons Moving & Storage of Seattle, Inc. Staff found violations of laws and rules enforced by the commission and compiled its findings along with technical assistance in an audit report dated April 2005. In this report, Staff also recommended that penalties be assessed for the types of violation that Staff had previously addressed with technical assistance. For those types of violation, the commission assessed penalties against All My Sons on September 15, 2005.

In the Notice of Penalties Incurred and Due for Violations of Laws Rules and Regulations issued September 15, 2005, to All My Sons, the commission assessed penalties for violations as follows:

1. Seven violations of WAC 480-15-650(a) for failure of All My Sons to show its correct business name, current address, and telephone number on seven estimated

cost of services forms between April 23, 2004, and May 8, 2004. Total penalty of \$700.00.

2. Nine violations of WAC 480-15-650(c), for All My Sons' failure to include the name of the receiver of the household goods (consignee) on nine estimated cost of service forms between April 23, 2004, and May 8, 2004. Total penalty of \$900.00.
3. One violation of WAC 480-15-650(d) for failure of All My Sons to show the required destination address on one estimated cost of services form between April 23, 2004, and May 8, 2004. Total penalty of \$100.00.
4. Nine violations of WAC 480-15-650(e) for All My Sons' failure to show the total mileage, including intermediate stops, on nine estimated cost of services forms between April 23, 2004, and May 8, 2004. Total penalty of \$900.00.
5. Nine violations of WAC 480-15-650(l) for All My Sons' failure to include the correct "Important Notice" language on nine estimated cost of services forms between April 23, 2004, and May 8, 2004. Total penalty of \$900.00.
6. One violation of Tariff 15-A – Item 85, failure of All My Sons to include the company name, address, phone number, telefacsimile number (if any), and e-mail address (if any) of the company making the supplemental estimate on one supplemental estimate form dated March 25, 2002. Total penalty of \$100.00.
7. One violation of Tariff 15-A – Item 85, failure of All My Sons to clearly identify whether the supplemental estimate is binding or non-binding on one supplemental estimate form dated March 25, 2002. Total penalty of \$100.00.
8. One violation of Tariff 15-A – Item 85, failure of All My Sons to identify the customer's phone number, address, origin of shipment, destination of shipment and contact person on one supplemental estimate date March 25, 2002. Total penalty of \$100.00.
9. Seven violations of Tariff 15-A – Item 85, for failure of All My Sons to include (1) for hourly-rated shipments, the number of carrier personnel and carrier vans (or trucks) that will be used, and the number of hours each will be involved in the move; (2) for mileage-rated shipments, the mileage between origin and destination, the estimated weight of the shipment, and the total transportation cost; (3) overtime; (4) services to be provided (stairs, long carry, third party, etc.); (5) valuation charges; (6) storage (storage-in-transit, storage-in-vehicle, permanent storage, etc.); and, (7) packing, unpacking, and containers on one supplemental estimate form dated March 25, 2002. Total penalty of \$700.00.

10. One violation of Tariff 15-A, Item 85, failure of All My Sons to include a summary of charges on one supplemental estimate form dated March 25, 2002. Total penalty of \$100.00.
11. Seven violations of WAC 480-15-660, failure of All My Sons to issue supplemental estimates when circumstances surrounding the moves change in a way to cause the rate for service or the estimated charges to increase for seven moves conducted between April 23, 2004, and May 8, 2004. Total penalty of \$700.00.
12. Five violations of WAC 480-15-680 for failure of All My Sons to issue an accurate estimate to the shipper for five moves conducted between April 23, 2004, and May 8, 2004. Total penalty of \$500.00.
13. One violation of WAC 480-15-690 for All My Sons charging a customer more than twenty-five percent above the written nonbinding estimate for one hourly-rated move conducted between April 23, 2004, and May 8, 2004. Total penalty of \$100.00.
14. Three violations of WAC 480-15-740, for All My Sons' failure to require the customer initial the correct type of estimate he or she received on three bills of lading for moves conducted between April 23, 2004, and May 8, 2004. Total penalty of \$300.00
15. Six violations of WAC 480-15-740(3) for All My Sons' failure to show on the bill of lading the exact address at which the shipment, or any part of that shipment, was loaded or unloaded, on two bills of lading for moves conducted on October 21, 2003, January 14, 2004, and four bills of lading for moves conducted between April 23, 2004, and May 8, 2004. Total penalty of \$600.00.
16. Six violations of WAC 480-15-740(3) for All My Sons' failure to include the customer and consignee's telephone number on six bills of lading between December 29, 2003, and June 29, 2004. Total penalty of \$600.00.
17. Three violations of Tariff 15-A, Item 95, for All My Sons' failure to ensure the customer initials his or her choice of storage options on three bills of lading between April 23, 2004, and May 8, 2004. Total penalty of \$300.00.
18. Three violations of WAC 480-15-740, for All My Sons' failure to require customers initial the bill of lading acknowledging they had been offered or had refused a copy of the Rights and Responsibilities Guide on three bills of lading for moves conducted between April 29, 2002, and December 30, 2003. Total penalty of \$300.00.
19. Forty-two violations of Tariff 15-A, Item 95, for All My Sons' failure to ensure that a customer indicates his or her payment choice by initialing the appropriate item on 42

bills of lading for moves conducted between April 23, 2004, and May 8, 2004. Total penalty of \$4,200.00.

20. Three violations of WAC 480-15-810 for failure of All My Sons to respond to three consumers' damage claims within the 10 days required by rule between January 8, 2003, and August 4, 2004. Total penalty of \$300.00.
21. Two violations of WAC 480-15-820 for All My Sons' failure to inform two claimants in writing of the final offer, denial or closure of claims, or the reason for failure to resolve the claims within each 60-day period the claims were not resolved. The two damage claims were listed in the company's claim register in December 2003 with no final resolution. Total penalty of \$200.00.
22. Sixteen violations of WAC 480-15-840 for All My Sons' failure to number its claims and complaints consecutively on 14 claim registers between September 2003, and October 2004, and two complaint registers from March and April 2004. Total penalty of \$1,600.00.
23. Thirty-seven violations of WAC 480-15-860, for All My Sons' failure to record all required information in the company's claims and complaints files for 35 claims and two complaints from January 2004, through October 2004. Total penalty of \$3,700.00
24. Four hundred and thirty-five violations of WAC 480-15-890, for All My Sons' failure to respond to Commission-Referred complaints within ten days from April 2003, through October 2004. Total penalty of \$43,500.00.
25. Thirty-six violations of the Tariff 15-A, Fuel Charge Supplement No. 2000-1, for All My Sons' failure to correctly calculate the fuel surcharge at no more than 2% of the fuel consuming rates and charges during 35 hourly-rated moves and one violation of Fuel Surcharge Supplement No. 2000-1, for All My Sons' failure to correctly calculate the fuel surcharge during one mileage-rated move between December 2003 and June 2004. Total penalty of \$3,600.00.
26. Twelve violations of WAC 480-15-740(7)(a), for All My Sons' failure to record the start time, stop time, and any interruptions for each person involved in or on a shipment rated under hourly rates, or in lieu of recording each person's start time, stop time, and interruptions on the bill of lading, a separate, but complete, record of each person's activities in sufficient detail to verify the proper rates and charges for nine moves between April 23, 2004, and May 8, 2004, and for three moves occurring in December 2003, April 2004, and June 2004. Total penalty of \$1,200.00.
27. Seven violations of WAC 480-15-740(7)(c) for All My Sons' failure to record the start time, stop time, and any interruptions of service for any hourly rated move on

- seven bills of lading between April 23, 2004, and May 8, 2004. Total penalty of \$700.00.
28. Three violations of Tariff 15-A, Item 220, for All My Sons' failure to provide three customers with a written estimate of the total overtime charges and obtain the customers' written consent before providing overtime services between October 2003, and April 2004. Total penalty of \$300.00.
 29. Fourteen violations of WAC 480-15-740, for All My Sons' failure to accurately complete 14 bills of lading between April 23, 2004, and May 8, 2004. Total penalty of \$1,400.00.
 30. Six violations of Tariff 15-A, Item 95, for All My Sons' failure to identify the type of charges listed on six bills of lading between April 23, 2004, and May 8, 2004. Total penalty of \$600.00.
 31. One violation of WAC 480-15-750, for All My Sons' failure to maintain a copy of the weight tickets with the bill of lading for one shipment between April 23, 2004, and May 8, 2004. Total penalty of \$100.00.
 32. One violation of Tariff Item 175, for All My Sons' failure to pass through commercial ferry costs to one customer between April 23, 2004, and May 8, 2004. Total penalty of \$100.00.
 33. One violation of Tariff Item 200, Mileage Rates, for All My Sons' failure to properly calculate the mileage rate for one mileage-rated move between April 23, 2004, and May 8, 2004. Total penalty of \$100.00.

The penalties totaled \$69,600.

III. AGREEMENT

3 The Parties have reached agreement on the issues raised in the above docket and wish to present their agreement for the commission's consideration and approval. The Parties therefore adopt the following Settlement Agreement, which the Parties enter into voluntarily to resolve the matters in dispute between them and to expedite the orderly disposition of this proceeding.

4 All My Sons will pay to the commission penalties totaling \$40,950, and admits violations of the following regulations and tariff provisions:

1. WAC 480-15-650(a) for failure to show a correct address on estimated cost of services forms. \$700 penalty is mitigated to \$525.

2. WAC 480-15-650(c), for failure to include the name of the receiver on estimated cost of service forms. \$900 penalty is mitigated to \$675.
3. WAC 480-15-650(d) for failure to show the required destination address on an estimated cost of services form. \$100 penalty.
4. WAC 480-15-650(e) for failure to show the total mileage, including intermediate stops, on estimated cost of services forms. \$900 penalty is mitigated to \$675.
5. WAC 480-15-650(l) for failure to include the correct "Important Notice" language on estimated cost of services forms. \$900 penalty is mitigated to \$675.
6. WAC 480-15-660 for failure to issue a supplemental estimate when circumstances changed in a way to cause the estimated charges to increase. \$400 penalty.
7. WAC 480-15-690 for charging a customer more than twenty-five percent above the written nonbinding estimate, as otherwise permitted by WAC 480-15-690. \$100 penalty.
8. WAC 480-15-740, for failure to require the customer initial the correct type of estimate received on bills of lading. \$300 penalty.
9. WAC 480-15-740(3) for failure to show on bills of lading the exact address at which the shipment, or any part of that shipment, was loaded or unloaded. \$400 penalty.
10. WAC 480-15-740(3) for failure to show on bills of lading the customer and consignee's telephone numbers. \$600 penalty.
11. Tariff 15-A, Item 95, for failure to require the customer to initial his or her choice of storage options on a bill of lading. \$100 penalty.
12. WAC 480-15-740, for failure to require the customer to initial a bill of lading acknowledging that the customer had been offered a copy of the Rights and Responsibilities Guide. \$100 penalty.
13. Tariff 15-A, Item 95, for failure to ensure that a customer indicates his or her payment choice on bills of lading. \$4200 penalty.
14. WAC 480-15-810 for failure to respond to a consumer's damage claim within 10 days. \$100 penalty.
15. WAC 480-15-820 for failure to resolve claims within 60 days. \$200 penalty.

16. WAC 480-15-840 for failure to number claims and complaints consecutively on monthly claim registers. \$1600 penalty.
17. WAC 480-15-860, for failure to record all required information in the company's claims and complaints files on registers and files. \$3700 penalty.
18. WAC 480-15-890, for failure to respond to commission-referred complaints within ten days. \$19,800 penalty.
19. Tariff 15-A, Fuel Charge Supplement No. 2000-1, for failure to correctly calculate the fuel surcharge. \$3600 penalty.
20. WAC 480-15-740(7)(a) and (c), for failure to record the start time, stop time, and any interruptions for each person involved in shipments rated under hourly rates, or in lieu of recording each person's start time, stop time, and interruptions on the bill of lading, a separate, but complete, record of each person's activities in sufficient detail to verify the proper rates and charges. \$1100 penalty.
21. Tariff 15-A, Item 220, for failure to provide customers with a written estimate of the total overtime charges and obtain the customers' written consent before providing overtime services. \$300 penalty.
22. WAC 480-15-740, for failure to accurately complete bills of lading resulting in overcharges and undercharges. \$1400 penalty.
23. WAC 480-15-750, for failure to maintain a copy of the weight tickets with a bill of lading. \$100 penalty.
24. Tariff Item 175, for failure to pass through commercial ferry costs to a customer. \$100 penalty.
25. Tariff Item 200, Mileage Rates, for failure to properly calculate the mileage rate for a mileage-rated move. \$100 penalty.

The other penalties and alleged violations have been withdrawn.

5 \$10,000 shall be due and payable on the first day of the first month after the commission issues its order approving this Settlement Agreement. A second payment of \$10,000 shall be due and payable on the first day of the second month after the commission issues its order approving this Settlement Agreement. The remaining \$20,950 shall be due and payable in 10 monthly installments of \$2,095 each beginning the first day of the third month after the commission issues its order approving this Settlement Agreement. Each installment shall be due and payable on the first of each month, with a five-day grace period. If the company fails to timely make any payment, the full remaining balance will be due and payable within 10 days.

The Parties agree that All My Sons will comply with all applicable commission rules and statutes, including those set forth in the enumerated list of violations and penalties above. This Agreement does not preclude the commission from pursuing penalties for violations of commission rules and statutes unrelated to the subject matter of this Agreement or for subsequent violations of the rules and statutes stated above after December 31, 2005.

- 7 The Parties agree that this Settlement Agreement is a settlement of all contested issues between them in this proceeding. The Parties understand that this Settlement Agreement is not binding unless and until accepted by the commission.
 - 8 The Parties agree to cooperate in submitting this Agreement promptly to the commission for acceptance. The Parties agree to support adoption of this Agreement in proceedings before the commission through testimony or briefing. No party to this Agreement or its agents, employees, consultants, or attorneys will engage in advocacy contrary to the commission's adoption of this Agreement.
 - 9 The Parties agree (1) to provide each other the right to review in advance of publication any and all announcements or news releases that the other party intends to make about the Agreement (with the right of review to include a reasonable opportunity to request changes to the text of such announcements) and (2) to include in any news release or announcement a statement that the commission staff's recommendation to approve the settlement is not binding on the commission itself.
- Nothing in this Agreement shall limit or bar any other entity from pursuing legal remedies against All My Sons or All My Sons' ability to assert defenses to such claims.
- 11 The Parties have entered into this Agreement to avoid further expense, inconvenience, uncertainty, and delay. The Parties recognize that this Agreement represents a compromise of the Parties' positions. As such, conduct, statements, and documents disclosed during negotiations of this Agreement shall not be admissible as evidence in this or any other proceeding, except in any proceeding to enforce the terms of this Agreement or any commission order fully adopting those terms. This Agreement shall not be construed against either party because it was a drafter of this Agreement.
 - 12 The Parties have negotiated this Agreement as an integrated document to be effective upon execution. This Agreement supersedes all prior oral and written agreements on issues addressed herein. Accordingly, the Parties recommend that the commission adopt this Agreement in its entirety.
 - 13 The Parties may execute this Agreement in counterparts and as executed shall constitute one agreement. Copies sent by facsimile are as effective as original documents.
 - 14 The Parties shall take all actions necessary as appropriate to carry out this Agreement.

In the event that the commission rejects all or any portion of this Agreement, each party reserves the right to withdraw from this Agreement by written notice to the other party and the commission. Written notice must be served within 10 days of the Order rejecting part or all of this Agreement. In such event, neither party will be bound or prejudiced by the terms of this Agreement, and either party shall be entitled to seek reconsideration of the Order. Additionally, the Parties will jointly request a prehearing conference be reconvened for purposes of establishing a procedural schedule to complete the case.

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

ALL MY SONS MOVING & STORAGE
OF SEATTLE, INC.

ROB MCKENNA
Attorney General



JENNIFER CAMERON-RULKOWSKI
Assistant Attorney General
Counsel for the Utilities and
Transportation Commission

Dated: June 15, 2006.

KERRITT ESCRIBANO, President

Dated: _____, 2006.

Approved as to form by

GREG W. HAFFNER
Counsel for All My Sons Moving
& Storage of Seattle, Inc.

Dated: _____, 2006.

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WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

ALL MY SONS MOVING & STORAGE
OF SEATTLE, INC.


ROB MCKENNA
Attorney General


KERMITT ESCRIBANO, President

JENNIFER CAMERON-RULKOWSKI
Assistant Attorney General
Counsel for the Utilities and
Transportation Commission

Dated: 6/27, 2006.

Dated: _____, 2006.

Approved as to form by

GREG W. HAFNER
Counsel for All My Sons Moving
& Storage of Seattle, Inc.

Dated: 6/14, 2006.