

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In re Application of	DOCKET TV-200518
SUPER FRIENDS MOVING L.L.C.,	ORDER 01
For a Permit to Operate as a Motor Carrier of Household Goods	GRANTING APPLICATION FOR PROVISIONAL HOUSEHOLD GOODS CARRIER PERMIT

BACKGROUND

- 1 In April 2017, the Washington Utilities and Transportation Commission (Commission) entered a stipulated order classifying Super Friends Moving L.L.C., d/b/a Super Friends Moving (Super Friends or Company), as a household goods carrier in Docket TV-170206. The order required Super Friends to “refrain permanently from further operations as a household goods carrier in the state of Washington without first obtaining the required permit.”¹
- 2 Super Friends later obtained a permit authorizing it to engage in business as a household goods carrier. On May 29, 2019, however, the Commission canceled the Company’s permit by letter in Docket TV-190425 after Super Friends failed to submit acceptable proof of insurance as required by the Commission’s rules.
- 3 In September and December 2019, Commission staff (Staff) visited the Company’s website and requested a quote for the transport of household goods between points in Washington. On both occasions, Super Friends obliged and provided quotes offering to transport household goods between the designated points.
- 4 In February 2020, the Commission, through Staff, filed a complaint alleging that Super Friends violated RCW 81.80.075 and the cease-and-desist order entered in Docket TV-170206 on two occasions by engaging in business as a household goods carrier without first obtaining the necessary permit when it offered to transport household goods by motor vehicle between points in Washington.

¹ *In re Determining the Proper Carrier Classification of, and Complaint for Penalties Against Jacob Raich d/b/a Super Friends Moving L.L.C.*, Docket TV-170206, Order 02, 5 ¶ 21 (Apr. 26, 2017).

- 5 In May 2020, the parties to Docket TV-190835 reached a settlement to resolve Staff’s complaint. As part of that settlement, Staff agreed not to oppose any application for a household goods carrier permit made by Super Friends so long as the Company, among other things, complied with the terms of the order entered in Docket TV-170206 forbidding Super Friends from engaging in business as a household goods carrier until it obtained a Commission-issued permit. A specific term in the settlement provided that “[i]f Super Friends fails to comply with the terms listed above, Staff will be free to contest any application for household goods authority filed by Super Friends based on its unlawful operations.”²
- 6 On June 5, 2020, the Commission entered Order 03, Initial Order Approving Settlement Agreement (Order 03), in Docket TV-190835. Order 03 approved a settlement agreement between Super Friends, Staff, and the Public Counsel Unit of the Attorney General’s Office.
- 7 On June 8, 2020, Super Friends filed with the Commission an application for provisional and permanent authority to operate as a household goods carrier in the state of Washington (Application) under Revised Code of Washington (RCW) 81.80 and Washington Administrative Code (WAC) 480-15 in Docket TV-200518. Jacob Raich, the Company’s owner, signed the Application. The Company filed an updated Application on July 27, 2020.
- 8 In July and August 2020, Staff found advertisements posted by Super Friends for the transport of household goods over the public highways of Washington for compensation.
- 9 On August 4, 2020, the Commission issued a Notice of Intent to Deny Application for Permanent Authority and Notice of Opportunity for Hearing (Notice) setting forth Staff’s allegations based on its review and investigation of the Application. The Notice provided Super Friends the opportunity to request a hearing to contest these allegations by August 19, 2020. On August 4, 2020, Super Friends filed with the Commission a Request for Hearing.
- 10 The Commission noticed the matter as a brief adjudicative proceeding and convened an evidentiary hearing before Administrative Law Judge Samantha Doyle on September 2, 2020.

² *Wash. Utils. & Transp. Comm’n v. Super Friends Moving, LLC d/b/a Super Friends Moving*, Docket TV-190835, Order 03, Appx. A at 4 ¶ 7 (June 5, 2020) (as supplemented by the errata filed June 29, 2020).

- 11 At the hearing, Staff presented documentary evidence and the testimony of consumer protection investigator Jacque Hawkins-Jones. Raich testified for the Company.
- 12 Staff explained in its opening statement that it believes the Company's Application should be denied because Super Friends has demonstrated it is unfit to operate by repeatedly engaging in business as a household goods carrier without holding the necessary permit.
- 13 Hawkins-Jones testified that in July and August 2020, she found advertisements posted by Super Friends for the transport of household goods over the public highways of Washington for compensation on the website Thumbtack, and also advertising for its services on the Company's claimed Yelp page. Hawkins-Jones used the universal resource locator listed in the Thumbtack advertisement to visit the Company's website and obtain a quote for the transport of household goods over Washington's public highways for compensation. Staff included copies of customer reviews as evidence that the Company is doing business without a permit.
- 14 Raich disputes the accuracy of Staff's allegations related to the timing of the customer reviews because the date a review is posted does not always correspond with the date of service. Raich concedes that the Company delivered a quote to Hawkins-Jones, but asserts that he believed the Company's Application would be approved prior to the requested service date. Raich further testified that the Company had taken down its website and was diligently working with Staff to obtain a permit.
- 15 After hearing the Company's testimony, Staff changed its position and now recommends the Commission approve Super Friends Application subject to the condition that the Company no longer engages in business as a household goods carrier without first obtaining the necessary permit. Staff also stated that it will issue a Penalty Assessment for the violations that prompted its initial recommendation to deny the Company's Application.
- 16 Jeff Roberson, Assistant Attorney General, Lacey, Washington, represents Staff.³ Jacob Raich, *pro se*, Seattle, Washington, represents Super Friends.

³ In adjudications the Commission's regulatory staff participates like any other party, while the Administrative Law Judge or the Commissioners make the decision. To assure fairness, the Commissioners and the presiding administrative law judge do not discuss the merits of the

DISCUSSION AND DECISION

- 17 Based on the testimony given at the hearing, the Commission agrees with Staff's recommendation and approves the Company's Application for the reasons discussed below.
- 18 Household goods carriers include any person "who advertises, solicits, offers, or enters into an agreement to transport household goods."⁴ The statute provides that "[n]o person shall engage in business as a household goods carrier without first obtaining a household goods carrier permit from the commission."⁵ The Commission must issue such a permit if it finds "[t]he applicant is fit, willing, and able to perform the services proposed and conform to this chapter and the requirements, rules, and regulations of the commission . . . ; otherwise, the application must be denied."⁶ Commission rules also provide that an applicant must demonstrate that it has satisfied all Commission "regulatory requirements, including any requirements set by statute, rule, tariff, or order."⁷
- 19 Furthermore, WAC 480-15-302 sets out the various criteria for obtaining provisional or permanent authority to operate as a household goods company. As relevant to this matter, the rule explains that the Commission may deny an application where "other circumstances exist that cause the [C]ommission" to do so.
- 20 As a preliminary matter, the violation of a cease-and-desist order constitutes "other circumstances" that may allow the Commission to deny an application for household goods carrier authority. In some circumstances, the Commission may find that a carrier who engages in operations despite a Commission order forbidding those operations is not fit to hold a permit.⁸ The Commission's goal in any enforcement proceeding, however, is to bring a company into compliance, and WAC 480-15-302 is not intended to permanently bar applicants who are actively working with the Commission and willing to abide by its authority. Rather, the rule allows the Commission to exercise its discretion to protect the public interest in those cases where circumstances are particularly egregious

proceeding with regulatory staff or any other party without giving notice and opportunity for all parties to participate. *See* RCW 34.05.455.

⁴ RCW 81.80.010(5).

⁵ RCW 81.80.075(1).

⁶ RCW 81.80.075(3).

⁷ WAC 480-15-305(1)(h).

⁸ *In re Application of Dolly, Inc.*, Docket TV-180605, Order 01 at 5 ¶ 17; 8 ¶ 26 (Feb. 14, 2019).

or a carrier flagrantly disregards Commission rules. Neither the nature nor the extent of Super Friends' confusion about its permit status warrants a finding that the Company is unfit to serve the public. We note, however, that Super Friends was well aware of Commission rules and regulations, and that the Company voluntarily entered into a settlement agreement that required it to cease all operations until it obtained a permit. While we are cautiously optimistic that the Company will maintain its permit going forward, we nonetheless caution Super Friends that the Commission will not afford it any further leniency if the Company finds itself back in this same situation.

- 21 Overall, we find that Super Friends is fit, willing, and able to comply with applicable statutes and the Commission's requirements, rules, and regulations. Accordingly, we approve Super Friends' Application for provisional authority to conduct intrastate moves within the state of Washington.

FINDINGS AND CONCLUSIONS

- 22 (1) The Commission is an agency of the State of Washington, vested by statute with authority to regulate rates, rules, regulations, and practices of public service companies, including household goods companies, and has jurisdiction over the parties and subject matter of this proceeding.
- 23 (2) Super Friends is a household goods carrier subject to regulation by the Commission.
- 24 (3) In light of the Company's efforts to work with Staff, the violations admitted at the hearing are not likely to interfere with the proper operations of a household goods moving company.
- 25 (4) The Commission should approve Super Friends' Application for provisional authority to operate as a household goods carrier in the state of Washington.

ORDER

THE COMMISSION ORDERS THAT:

- 26 (1) The Application filed by Super Friends L.L.C., d/b/a Super Friends Moving, on June 8, 2020, for provisional authority to operate as a household goods carrier in the state of Washington is GRANTED.

- 27 (2) Staff is directed to issue a provisional household goods permit to Super Friends L.L.C., d/b/a Super Friends Moving, in accordance with WAC 480-15-302.

DATED at Lacey, Washington, and effective September 14, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Samantha Doyle
SAMANTHA DOYLE
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).