

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**NOTICE OF PENALTIES INCURRED AND DUE  
FOR VIOLATIONS OF LAWS AND RULES**

PENALTY ASSESSMENT: TV-220134

PENALTY AMOUNT: \$25,600

PNW Moving and Delivery LLC  
833 103<sup>rd</sup> St. S.  
Tacoma, WA 98444

The Washington Utilities and Transportation Commission (Commission) believes PNW Moving and Delivery LLC (PNW Moving or Company) violated Washington Administrative Code (WAC) 480-15-550, Cargo Insurance; WAC 480-15-555, Criminal Background Checks for Prospective Employees; WAC 480-15-560, Equipment Safety Requirements, which adopts Title 49 Code of Federal Regulations (49 C.F.R.) Part 396 – Inspection, Repair and Maintenance; and WAC 480-15-570, Driver Safety Requirements, which adopts 49 C.F.R. Part 391 – Qualification of Drivers and 49 C.F.R. Part 395 – Hours of Service of Drivers.

Revised Code of Washington (RCW) 81.04.405 allows penalties of \$100 for each violation. In the case of an ongoing violation, every day's continuance is considered a separate and distinct violation.

On February 23, 2022, Commission Motor Carrier Investigator Tracy Coble completed a follow-up safety investigation of PNW Moving and documented the following violations:

- **Eighty-two violations of WAC 480-15-550 – Operating a commercial motor vehicle (CMV) without having adequate cargo insurance coverage.** The Company operated a CMV without the required cargo insurance on 82 occasions between July 27, 2021, and January 27, 2022.
- **Three violations of WAC 480-15-555 – Failing to conduct or retain paperwork containing criminal background checks or hiring an individual with a disqualifying conviction for a household goods carrier in the state of Washington.** PNW Moving failed to conduct a criminal background check prior to hiring employees Anton Levchuk, Michael Ryzhichenko, and Tilei Logouii.
- **One hundred nine violations of 49 C.F.R. § 391.45(a) – Using a driver not medically examined and certified.** The Company allowed drivers Dmitriy Satir and Pavel Arkhipchuk to operate a CMV without a valid medical certificate on 109 occasions between July 29, 2021, and January 27, 2022.
- **Sixty violations of 49 C.F.R. § 395.8(a)(1) – Failing to require driver to make a record of duty status.** The Company failed to require Dmitriy Satir and Roman Satir to complete a record of duty status on 60 occasions between November 1 and November 30, 2021.

- **Two violations of 49 C.F.R. § 396.3(b)(2) – Failing to have a means of indicating the nature and due date of the various inspection and maintenance operations to be performed.** The Company failed to maintain a preventative maintenance program for two CMVs.
- **One violation of 49 C.F.R. § 396.5(b) – Wheel hub seal leaking.** Commission staff (Staff) discovered a CMV with a leaking wheel hub seal with contamination of the brake linings. This CMV was placed out-of-service.<sup>1</sup>

The Commission considered the following factors in determining the appropriate penalties for these violations:

1. **How serious or harmful the violations are to the public.** The violations noted are serious and potentially harmful to the public. Household goods moving companies that: (1) operate CMVs without the required cargo insurance, (2) fail to conduct criminal background checks on their employees, (3) use drivers that are not medically examined and certified, (4) fail to maintain records of duty status, (5) fail to implement preventative maintenance programs for CMVs, and (6) use CMVs that are in need of repairs, put their customers, their customers' belongings, and the traveling public at risk. These violations present significant safety concerns.
2. **Whether the violations were intentional.** Considerations include:
  - Whether the Company ignored Staff's previous technical assistance; and
  - Whether there is clear evidence through documentation or other means that shows the Company knew of and failed to correct the violation.

On February 24, 2017, the Commission received the Company's application for household goods moving authority. In the application, Dmitriy Satir, owner of PNW Moving, acknowledged the Company's responsibility to understand and comply with applicable motor carrier safety regulations.

On April 19, 2018, the Commission received PNW Moving's application for reinstatement of household goods moving authority. In the application, Dmitriy Satir acknowledged the Company's responsibility to understand and comply with applicable motor carrier safety regulations.

On May 16, 2018, Dmitriy Satir and Roman Satir attended household goods training provided by Staff, and each acknowledged receiving training pertaining to motor carrier safety regulations.

On May 6, 2020, Staff completed a routine safety investigation of PNW Moving and discovered violations of WAC 480-15-555, 49 C.F.R. § 391.45(a), 49 C.F.R. §

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<sup>1</sup> Equipment Identification Number 5.

395.8(a)(1), and 49 C.F.R. § 396.3(b)(2). The Company knew or should have known about these requirements.

3. **Whether the Company self-reported the violations.** PNW Moving did not self-report these violations.
4. **Whether the Company was cooperative and responsive.** The Company was both cooperative and responsive throughout the follow-up safety investigation.
5. **Whether the Company promptly corrected the violations and remedied the impacts.** During the safety investigation, PNW Moving obtained the minimum required limits of cargo insurance and completed criminal background checks for employees Anton Levchuk, Michael Ryzhichenko, and Tilei Logouii. The Company has not provided Staff with evidence that it corrected the other violations.
6. **The number of violations.** Staff identified 22 violation types with a total of 286 individual occurrences during the follow-up safety investigation of PNW Moving. Of those violations, Staff identified six violation types with a total of 257 individual occurrences that warrant penalties in accordance with the Commission's Enforcement Policy.
7. **The number of customers affected.** PNW Moving reported traveling 22,000 miles in 2021. These safety violations presented a public safety risk.
8. **The likelihood of recurrence.** The Company incurred repeat violations despite receiving prior technical assistance and suspended penalties to encourage compliance with safety regulations. Absent a significant commitment to prioritize safe operations, the violations are likely to reoccur.
9. **The Company's past performance regarding compliance, violations, and penalties.** On April 11, 2018, PNW Moving was penalized \$5,000 in Docket TV-180214 for operating as a household goods carrier in the state of Washington without first obtaining a permit from the Commission. The Commission suspended a \$3,500 portion of the penalty for a period of two years, subject to conditions. The Company failed to pay the \$1,500 non-suspended portion of the penalty.

On May 19, 2020, the Commission issued a Notice of Intent to Cancel the Company's household goods carrier permit in Docket TV-200421, after Staff's safety investigation of PNW Moving resulted in a proposed "unsatisfactory" safety rating. Also on May 19, the Company was penalized \$7,800 in Docket TV-200419 for safety violations of WAC 480-15-555 and WAC 480-15-570.

On June 24, 2020, the Commission entered Order 01, which consolidated Dockets TV-200421 and TV-200419; approved the Company's safety management plan; upgraded the Company's safety rating to "conditional;" mitigated the penalty to \$3,900; and suspended a \$1,950 portion of the reduced penalty for a period of two years, subject to conditions. PNW Moving paid the \$1,950 portion of the penalty that was not suspended but failed to

comply with the condition in Order 01 to not incur repeat violations of critical regulations upon reinspection.

10. **The Company's existing compliance program.** Dmitriy Satir is responsible for the Company's safety compliance program.

11. **The size of the Company.** PNW Moving operates two CMVs and employs three drivers. The Company reported \$556,658 in gross revenue for 2021.

The Commission's Enforcement Policy provides that some Commission requirements are so fundamental to safe operations that the Commission will issue mandatory penalties for each occurrence of a first-time violation.<sup>2</sup> The Commission generally will assess penalties by violation category, rather than per occurrence, for first-time violations of those critical regulations that do not meet the requirements for mandatory penalties. The Commission will assess penalties for any equipment violation meeting the Federal Motor Carrier Safety Administration's "out-of-service" criteria and for repeat violations of critical regulations, including each occurrence of a repeat violation.

The Commission has considered these factors and determined that it should penalize PNW Moving \$25,600 (Penalty Assessment), calculated as follows:

- Eighty-two violations of WAC 480-15-550 – Operating a commercial motor vehicle (CMV) without having adequate cargo insurance coverage. The Commission assesses a penalty of \$100 for each occurrence of this acute violation, for a total of \$8,200.
- Three violations of WAC 480-15-555 – Failing to conduct or retain paperwork containing criminal background checks or hiring an individual with a disqualifying conviction for a household goods carrier in the state of Washington. The Commission assesses a penalty of \$100 for each occurrence of this repeat critical violation, for a total of \$300.
- One hundred nine violations of 49 C.F.R. § 391.45(a) – Using a driver not medically examined and certified. The Commission assesses a penalty of \$100 for each occurrence of this repeat critical violation, for a total of \$10,900.
- Sixty violations of 49 C.F.R. § 395.8(a)(1) – Failing to require driver to make a record of duty status. The Commission assesses a penalty of \$100 for each occurrence of this repeat critical violation, for a total of \$6,000.
- Two violations of 49 C.F.R. § 396.3(b)(2) – Failing to have a means of indicating the nature and due date of the various inspection and maintenance operations to be performed. The Commission assesses a "per category" penalty of \$100 for these repeat violations.

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<sup>2</sup> Docket A-120061 – Enforcement Policy of the Washington Utilities & Transportation Commission – Section V.

- One violation of 49 C.F.R. § 396.5(b) – Wheel hub seal leaking. The Commission assesses a penalty of \$100 for this out-of-service violation.

This information, if proven at a hearing and not rebutted or explained, is sufficient to support the Penalty Assessment.

Your penalty is due and payable now. If you believe any or all the violations did not occur, you may deny committing the violation(s) and contest the penalty through evidence presented at a hearing or in writing. Alternatively, if there is a reason for any or all the violations that you believe should excuse you from the penalty, you may ask for mitigation (reduction) of the penalty through evidence presented at a hearing or in writing. The Commission will grant a request for hearing only if material issues of law or fact require consideration of evidence and resolution in a hearing. Any request to contest the violation(s) or for mitigation of the penalty must include a written statement of the reasons supporting that request. Failure to provide such a statement will result in denial of the request. *See* RCW 81.04.405.

If you properly present your request for a hearing and the Commission grants that request, the Commission will review the evidence supporting your dispute of the violation(s) or application for mitigation in a Brief Adjudicative Proceeding before an administrative law judge. The administrative law judge will consider the evidence and will notify you of their decision.

**You must act within 15 days after receiving this notice** to do one of the following:

- Pay the amount due.
- Contest the occurrence of the violation(s).
- Admit the violations but request mitigation of the penalty amount.

Please indicate your selection on the enclosed form and submit it electronically through the Commission's web portal **within FIFTEEN (15) days** after you receive this Penalty Assessment. If you are unable to use the web portal, you may submit it via email to records@utc.wa.gov. If you are unable to submit the form electronically, you may send a paper copy to the Washington Utilities and Transportation Commission, PO Box 47250, Olympia, Washington 98504-7250.

**If you do not act within 15 days**, the Commission may take additional enforcement action, including but not necessarily limited to suspending or revoking your certificate to provide regulated service, assessing additional penalties, or referring this matter to the Office of the Attorney General for collection.

DATED at Lacey, Washington, and effective March 18, 2022.

*/s/Rayne Pearson*  
RAYNE PEARSON  
Director, Administrative Law Division

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION  
PENALTY ASSESSMENT TV-220134

**PLEASE NOTE:** You must complete and sign this document and send it to the Commission within 15 days after you receive the Penalty Assessment. Use additional paper if needed. I have read and understand RCW 9A.72.020 (printed below), which states that making false statements under oath is a class B felony. I am over the age of 18, am competent to testify to the matters set forth below and I have personal knowledge of those matters. I hereby make, under oath, the following statements.

1. **Payment of penalty.** I admit that the violations occurred and enclose \$25,600 in payment of the penalty.

2. **Contest the violation(s).** I believe that the alleged violation(s) did not occur for the reasons I describe below (**if you do not include reasons supporting your contest here, your request will be denied**):

a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision.

OR  b) I ask for a Commission decision based solely on the information I provide above.

3. **Application for mitigation.** I admit the violations, but I believe that the penalty should be reduced for the reasons set out below (**if you do not include reasons supporting your application here, your request will be denied**):

a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision.

OR  b) I ask for a Commission decision based solely on the information I provide above.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing, including information I have presented on any attachments, is true and correct.

Dated: \_\_\_\_\_ [month/day/year], at \_\_\_\_\_ [city, state]

\_\_\_\_\_  
Name of Respondent (company) – please print

\_\_\_\_\_  
Signature of Applicant

RCW 9A.72.020:

“Perjury in the first degree. (1) A person is guilty of perjury in the first degree if in any official proceeding he makes a materially false statement which he knows to be false under an oath required or authorized by law. (2) Knowledge of the materiality of the statement is not an element of this crime, and the actor’s mistaken belief that his statement was not material is not a defense to a prosecution under this section. (3) Perjury in the first degree is a class B felony.”