



Washington Movers Conference

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Mr. Jeff Killip
Executive Director/Secretary
Utilities & Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Dear Executive Director/Secretary Killip,

Reference: Recently published Washington Utilities and Transportation Commission DOCKET TV-240781, a tariff revision plan to Tariff 15-C increasing the rate band per docket TV-210812 Order 06.

As the Executive Director of the Washington Movers Conference, a trade group representing the regulated Intrastate Household Goods moving carriers in Washington, I am on the UTC's email list for the weekly "WUTC Open Meeting Agenda". By way of this Agenda, I see weekly a ton of activity being accomplished for the other UTC Regulated Industries generating thousands and/or millions of dollars in additional revenue.

On behalf of the Regulated Intrastate HHG Moving Industry, I filed Petition, TV-210812, back in late October 2021 requesting the removal of the Maximum Rate Band from HHG Tariff No. 15-C so HHG carriers would no longer be constrained from being able to recoup appropriate costs from their ever-increasing costs of doing business in Washington quickly. This was by no means an attempt to allow regulated HHG carriers to gouge Washington consumers, rather it proposed an easy method to allow properly regulated intrastate HHG carriers to be able to service their customers professionally, safely, and economically while earning a fair return on their investment in facilities, motor vehicles, material handling equipment, and personnel to provide professional services as needed for their customers.

To be clear, in UTC WAC rule 480-15-630 Estimates, it states a relocation HHG move doesn't occur/commence prior to the customer agreeing to and

signing the required Estimated Costs for Services form presented by the HHG carrier. Therefore, the customer is in full control of their costs!

Based on Intrastate Regulated HHG Moving carrier competition within every locale throughout Washington State, should the consumer not like the rates and charges being offered by their first choice, HHG carrier #1, they are free to contact carrier #2 and/or #3 for rates and charges they would be more comfortable with. In fact, the WMC encourages consumers to do just that.

In other industries regulated by the UTC, customer choices are simply not available because I know personally I don't have a say if my garbage rates go up, my natural gas rates go up, or my electricity rates go up. And I don't have another respective industry provider to contact where I live. Nope, the other regulated industries simply send in a Petition to the UTC requesting "X-percentage" rate increase because they need to generate "X-amount" of new revenue. And after a review, their petition is approved by the UTC staff and ultimately the Commissioners.

Anyway, finally 44-months later on June 27, 2024, the UTC makes permanent a 20% increase to rates and charges contained in the UTC HHG Tariff 15-C. This was very welcomed by the HHG carriers but doesn't recoup lost revenues over the past three and a half years. Those revenues cannot be reclaimed.

This unfortunate delay was caused by the Commission co-mingling the WMC Petition, TV-210812 with the Clutter Inc. Petition, TV-210535, and dancing around for months to understand Clutter Inc's unfounded recommendations for procedural changes to Tariff No. 15-C that they expected to benefit their particular business model. Clutter Inc. is virtually unknown in Washington now.

Plus, during the June 27, 2024, UTC Open Meeting, the UTC staff recommended an annual statewide increase to Tariff 15-C rates be made each year starting in January 2025 based on the Seattle Market Consumer Price Index (CPI)! This proposed action was not discussed in advance with the WMC and is simply not acceptable! A HHG carrier located in Spokane in Eastern Washington, or Richland in Central Washington, for instance, would receive a higher benefit based on that scenario, due to their lower operational costs, versus a HHG carrier in the greater Seattle market. This not an equitable plan!

Simply put, Regulated Intrastate HHG carriers need to be relieved from the Tariff No. 15-C rates constraint burden caused by the UTC Tariff's current Maximum Rate Band. Intrastate Regulated HHG carriers need to be able to operate in an economically open competitive market with solid regulated consumer protection rules in place. These protections, now in place, will keep rogue HHG carriers from operating with inferior, unsafe vehicles, non-criminal background checked employees, and ensuring solid valuation protections are in place covering the safe-handling and transportation of the customer's goods from origin to destination, when placed in Storage-in-Transit, or damage to the customer's residence/property.

This relief is justified due to nearly every month there is some new unsolicited business cost increase facing the regulated HHG carriers that they must absorb such as -

- Random Minimum employee hourly wage increases instituted by city, county, or state.
- HHG Packing Material increases imposed by Packing Material Suppliers.
- Fuel and vehicle maintenance costs increases.
- Likely coming a State mandated change from diesel powered vehicles to costly electric powered vehicles presently being sought by the Governor to support Climate Change Initiatives.
- A 3.8% rate increase in employee Workers Comp fees starting in 2025 to be paid by the employer.
- A new increase in Paid Family Medical Leave just announced. The Paid Family Medical Leave premium rate will increase starting January 1, 2025. The premium rate will be 0.92%. The rate for 2024 is 0.74%.
- A New Long Term Care Program recently instituted by the State with fees paid by the employer. And,
- A new Health insurance costs increase just announced by the Washington Insurance Commissioner's office averaging 11.9% in 2025 for small businesses and their employees in Washington State.

For the Intrastate Regulated moving industry to file Rate Petitions for every time there is a cost increase to their business operations would be burdensome and time consuming and a consequential additional workload burden on the UTC staff.

The WMC recommends a procedure that would retain a basis for a "Maximum Rate Band" to be in concert with the applicable WAC 480-15-490, Tariffs and rates general, requiring the UTC to maintain "Minimum/Maximum Rate Bands". By removing the Maximum Rate Band in its present form from HHG Tariff No. 15-C, it simply could be replaced by language requiring intrastate regulated HHG Carriers to file with the Commission an individual Tariff No. 15-C "Maximum Rate Sheet" listing maximum rates and charges for use by their respective company. This "Maximum Rate Sheet" would be used in discussions with their customers and by Commission staff to adjudicate any consumer complaints based on overcharging claims by the customer.

Any changes to the carriers' "Maximum Rate Sheet", up or down, would be allowed only two times in a 12-month period and be provided to the UTC staff 10-days in advance of implementation.

This procedure, once established, would be easy to use and follow and allow the UTC to continue to effectively regulate the Intrastate HHG Moving Industry in Washington State in accordance with State RCWs and WACs.

Thank you.

A handwritten signature in black ink, appearing to read "J. Tutton, Jr.", written in a cursive style.

Jim Tutton, Jr., Executive Director
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