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CR102 mtg.

8/12/98

Speakers:

- Gene Eckhardt, WUTC staff
- Kim Dobyns, WUTC staff
- Ann Rendahl, AAG
- Jeff Goltz, AAG
- Karen Bernd, Bernd Moving Systems
- Doug Bernd, Washington Movers Conference
- Rob Outcalt, Door To Door Storage
- John Woodring, Washington Movers Conference & Washington Truckers Assoc.
- J. Lawrence Coniff, Washington Movers Conference
- Jim Tutton, Washington Movers Conference
- Rick Smith, Corporate Moving Systems
- Brian McCulloch, Assoc. of Independent Movers
- Rob Manifold, Public Counsel
- Chris McKay, Shurgard Storage to Go

- Anne Levinson, Chair
- Richard Hemstad, Commissioner (not present)
- William R. Gillis, Commissioner

LEVINSON: Let me start by thanking everyone who sat through the rest of this meeting to this point for the last item on the agenda.

DOBYNS: Good afternoon Chairwoman Levinson and Commissioner Gillis. I'm Kim Dobyns representing staff in the household goods rule making. First I'd like to make a correction to the backup memo. I've been practicing saying this without smiling and I don't I can do it. On page 4 in the first line of the paragraph — in the first line of the last paragraph — the word "gods should be changed to the word goods." Also, staff has added its response to questions received from Jack Davis to our package. Extra copies are available at the back table. Staff wishes to thank all of those who participated in the process. Participants have included individual consumers, representatives of the Consumer Protection and Public Counsel Divisions of the Attorney General's Office, representatives and members of the Washington Movers Conference, representatives of the Container Storage and Transportation Industry, representatives of the Office of State Procurement from the state of Washington, representatives of the better business bureau, non permitted carriers, representatives and members of the Washington Association of Independent Movers and state legislators.

On November 4, 1997, the Commission filed the pre-proposal statement of inquiry, which is the CR101, with the Coder Reviser giving its notice of intent to review all rules in Chapter 480-12 WAC. On September 23, 1998, a notice of proposed rule making, which was the CR102, and a Small Business Economic Impact Statement was filed with the Coder Reviser's Office. The Commission stated on the CR102 that the proposed rules would ease entry, eliminate barriers to areas of operations, allow pricing flexibility, strengthen consumer protection

elements, and clarify policy regarding the definition of household goods. During the discussion phase of this rule making which was prior to the filing of the CR102, staff concluded that brokers should be discussed in a separate rule making. In addition to working with stakeholders, through several public meetings and several rounds of written comments, staff has reviewed the historical policies and decisions of the Commission concerning household goods carriers. Other state and federal practices, intrastate carrier practices, and the concerns of consumers. Staff believes it has reached consensus on several issues including rules regarding cargo insurance, valuation, payment options concerning credit and the amount of time a carrier has to respond to the Commission concerning a complaint. However, the following issues remain contested by some participants.

The first one is easing entry. Easing entry into the current household goods carrier market became a primary goal for this rule making. Under the present rules, an applicant for a permanent household goods moving authority must provide a present or future need, must prove a present or future need for its services based primarily upon testimony by shippers. This kind of standard makes sense for carriers who could carry commercial commodities over and over again for the same shipper. It makes no sense for a household goods mover who serves individual consumers who move on average only once every seven years.

The current rules allow any existing carrier to protest the grant of new authority. Given that the Movers Conference and its members have protested nearly every application for new authority, the only practical way for a new moving company to obtain a permit has been to purchase an existing permit at inflated prices. The prices cited by the Movers Conference as purchase prices for existing permits are, to the Commission staff, evidence that the current entry process is not working and that it needs to be opened up.

The proposed rules require new applicants to apply for authority, receive Commission approval to operate, and operate for at least 180 days under temporary authority before the Commission will consider granting permanent authority. During this 180 period, staff will evaluate the applicant's fitness, willingness and ability to provide service, whether the service is in the public interest, and whether the service is needed for the current or future public convenience and necessity. Staff will also provide the applicant with an appropriate level of education, technical assistance, safety evaluation, and will monitor customer satisfaction of the services provided by the applicant. Based on this analysis, staff will make a recommendation to the Commission on whether or not to grant permanent authority.

The Washington Movers Conference appears to have supported easing entry in the hearing concerning the Commission's interpretive statement on temporary authority and during the rule making hearing during the CR102. At this point in time it appears the conference is withdrawing that support and I'm going — they're here today and I'm going to let them speak to why that may be.

The Association of Independent Movers supports staff's proposal with the exception of requiring personal financial information and providing shipper support statements. Consumer interest support easing entry requirements.



The next issue is eliminating the areas of operation restrictions. Staff proposes to eliminate rules governing local cartage and commercial zones and to grant household goods carriers authority to operate statewide unless a carrier chooses to provide service in a smaller area. That smaller area staff is identifying at the county level. Staff believes that it is in the public interest to eliminate restrictions that limit consumer choice and make enforcement more difficult. Staff also believes carriers will benefit from these proposed rule changes. Under the proposed rules, the opportunities for business growth will not be hampered by artificial boundaries. The Movers Conference is opposed to eliminating local cartage zones.

An essential change necessary to opening the household goods moving industry to market influences is rate flexibility. Staff proposes an interim rule that sets a band of rates a carrier may offer at up to 15 percent above and up to 35 percent below the existing tariff rates in effect on the adoption date of these rules. Attachment two, which is staff's memorandum concerning the economics of banded rate, also describes the methodology and reasons these percentages are recommended. Staff also believes the full-allocated cost structure is not the correct method in which to review rates for the new market structure in this industry. Staff believes the new market structure must have time to develop before any useful or meaningful cost information can be gleaned. Staff commits to recommending to the commissioners what they believe would be correct model to set rates not later than October 1999. If the proposed rules are adopted, staff believes the market structure would be adequate enough in two years to perform a meaningful cost study. The Movers Conference supports the concept of banded rates, but opposes the percentages proposed by staff. The Association of Independent Movers supports the staff's proposal, but would prefer no lower limit on the banded rates. Consumer interest support pricing flexibility at the percentages proposed by staff.

The next issue is estimate percentage limits. The Commission has received several complaints from consumers regarding underestimating and has issued penalties against carriers for this practice. Underestimating does not appear to be as great a problem in Washington as it is other states and at the intrastate interstate level. However, staff proposes taking a pro active approach to strengthening consumer protection rules. When the Commission does receive complaint from consumers, even under our stringent existing rules, the nature of the complaint is very often serious. For example, anywhere from 80 percent to 200 percent above the estimate has been noted.

Therefore, staff proposed a consumer protection rule that sets a limit on the amount a carrier may charge a consumer above its non binding written estimate. The proposed rule states a carrier may not charge more than 25 percent above its written estimate plus its supplemental estimates for an hourly-rated move, nor may a carrier charge more than 15 percent above its long distance-rated moves. Assessorial charges are also limited to 15 percent above the written estimate. The percentages that staff has proposing are set at the level the Commission penalizes a carrier for underestimating its bid. Under existing rules, if a carrier underestimates the cost of a move by the percentages noted, the Commission may penalize the carrier, but the consumer is still required to pay the full amount. The proposed rules allow the Commission to not only penalize the carrier for underestimating, but also provide relief to the consumer. The Washington Movers Conference opposes this rule. Consumer interests support this proposed

rule.

The next issue is binding estimates. A strong consumer protection in these proposed rules concerns binding estimates. The current rules do not allow for this option. Staff proposes that at the carrier's option, it may offer a binding estimate to its customer. Binding estimates are allowed for interstate moves. Allowing binding estimates at the intrastate level will reflect what some carriers currently offer their Washington customers for interstate moves. The Washington Movers Conference opposes this proposed rule. Consumer interests support this proposed rule.

The next issue is the definition of household goods. The proposed rules define household goods by clarifying that household goods refer to residential rather than commercial and clarifies the services that fall under Commission regulation. Previously, the Commission has excluded from regulation, the transportation of customer-packed-and-sealed-self-storage containers when no assessorial services are provided by the carrier in connection with the transportation of the container. This exclusion has come through staff opinion of the permit interpretation committee. Staff does not believe the transportation of stage [sic] containers involves the same need for consumer protection as a typical household goods move. Staff has reviewed and considered opinions and opinion letters concerning the classification of the transportation of storage containers issued by the federal highway administration and several other states. The proposed rule is consistent with the determination reached in some other jurisdictions. The Washington Movers Conference and the Association of Independent Movers object to these proposed rules. Representatives of the container storage and transportation industry support the proposed rule.

The next issue is the compliance rules. The proposed rules in part 1.3 describe authority the Legislature has given to the Commission to enforce state laws and rules and describes what actions the Commission may take in any given circumstance and describes the Commission's policy on compliance. These rules are offered so a carrier may know what to expect and what options are available to the Commission to address non compliance. The Washington Movers Conference does not believe the proposed rules concerning compliance are sufficient.

The next issues is rule waiver. The proposed rules include a provision allowing carriers to request and the Commission to consider granting rule waivers. The proposed rules state the Commission will grant a waiver when doing so is consistent with the public interest. The purpose is underlying regulation and sound public policy and is consistent with applicable statutes. Comparable rule waiver provisions presently exist in rules governing other industries regulated by the Commission. Washington Movers Conference opposes this proposed rule.

Based on comments the staff has received since the CR102 was filed, staff has drafted four clarifications to the proposed rules. These clarifying rules were distributed and the Washington Movers Conference is opposed to one of the clarifying proposed rule changes. That is WAC 480-15-660(2) which states "What rates must I use to prepare a supplemental estimate? You must use the same rates as you used in determining charges for the original estimate." The Movers Conference believes this rule penalizes the carrier who accommodates a customer who has made a last minute change. They believe the carrier should be able to charge a higher rate for services that were not included on the original estimate. Staff added this clarifying rule in



response to comments received at the October — excuse me — at the August 12, 1998 open meeting regarding a perceived problem that an unscrupulous carrier could give an estimate at the bottom of the rate band knowing full well it could increase the price on a supplemental estimate. Staff's recommended rule proposal is not intended to penalize a carrier. It's intended to protect consumers. Staff believes the consumer benefits outweigh the Washington Movers Conference concerns because the carrier always has the option of not providing the additional service or providing the additional service at the rate quoted in their original estimate. Staff believes the proposed rules are good public policy and will ultimately benefit both the industry and consumers. Therefore, staff recommends the Commission 1) repeal all rules in Chapter 480-12 WAC except WAC 480-12-100 and WAC 480-12-375 which refer to brokers and 2) adopt a New Chapter 480-15 WAC Governing carriers of household goods.

Several people have signed up to speak today and I'm available for any questions you may have. Thank you.

LEVINSON: Questions for staff?

GILLIS: Not at the moment.

LEVINSON: Okay. Thank you. We have a number of people who've signed up to testify. We'll take them in the order in which they've signed up. Karen Bernd from Bernd Moving Systems.

K. BERND: Good afternoon, Chairman Anne and Commissioner Gillis — Chairwoman — excuse me. Just a little nervous because I didn't expect to be first, so I thought I'd get to sit through the others speaking. I am currently a salesperson for a moving company on the eastern side of the mountains.

LEVINSON: Can I interrupt you just for a second?

K. BERND: My name is Karen Bernd with Bernd Moving Systems.

LEVINSON: Thank you.

K. BERND: Thank you. And reading over the staff's rules — rule changes, I had some concerns that I thought I should bring to the floor and I believe they've been brought before. My understanding of the intent of the rules changes is for consumer protection and also ease of entry. And, um, I would like to have you take a look at the part 3.3 the tariffs and rates, particularly — this is on page 19 to help you out, line, it's 2b lines 5, 7, 15 through — excuse me — lines 715 through 722. Um, I'm concerned, the proposal of the 10 percent over the current rates and the proposal of the, um, decrease by 35 percent. And I guess my question to the staff that has investigated this is what is the rationale for coming up with this decrease versus increase study? Where did these numbers come from?

Um, the, um, second concern I have is under part 2, um, excuse me, part 5.2, it's on page 36, regarding estimates and that's regarding the binding versus the non binding that they can be

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provided either. To me as a salesperson this can become more confusing for a consumer who currently only remembers maybe 10 percent of what you're giving them during a sales process under our current options available. Now you get to offer them a non binding estimate or and a binding estimate, but you also have to explain to them on the binding estimate more thoroughly if they make any changes, there'll be a supplement to that and now they have to remember that — you know — before you just know that your estimate is based upon your actual charges and that we try to the best of our ability based upon what their input that we can give them a fair and accurate estimate. With a binding, they think they're going to get a binding estimate, but now the mover hands them a supplement for all the changes they've made, and all of a sudden the binding estimate is gone, and I'm not sure that's really clear — will be very clear to a consumer during a sales process.

I have a concern that there has been no or little consideration of the comments or recommendations made by the moving industry who works with the consumer on a daily basis regarding the recommendations of the Washington Utilities and Transportation rules and regulations and also I have a concern over the written memorandum that is dated November 9<sup>th</sup> which we were on vacation so the first I saw it was 12:30 this afternoon in regards to that, and I think there's been very little time for these additions for any comments or responses to be adequately prepared to their proposal.

In regards to ease of entry, um, I believe that a new business can come on board and be equally competitive with a regular mover based upon their services that's how we started. I mean, anyone who starts a business knows the only way you're going to attract a consumer is by providing a service and if you don't provide the service, you won't get the business. Currently, a consumer can, um, standardize their moving costs. They're not locked into an eight-hour local and they're not locked into a certain amount of weight except for the expedited service, so, for example, if a consumer realizes that their weight of their move is going to be 8,000 pounds and they were only expecting to pay for 6,000 pounds, there's things the consumer, and this is I feel a sales person's initiative, if they're a good sales person, we'll share what the consumer can do. Therefore, a consumer has the choice of getting three estimates. So the customer or the company that can meet the consumer's needs based upon their costs, what they're able to afford, I think should receive the move. And they already have that option available to them. So, you know, a consumer can pay as much as they wish to for a full pack and move or as little as they wish to by providing or doing some of the moving services themselves. That's it.

LEVINSON: Questions?

GILLIS: No.

LEVINSON: How long has your company been in business?

K. BERND: We've been in business for over 60 years. My husband and I have owned it for, um, seventy-four, so, um, 24 years, 25 years.

LEVINSON: But the company started 60. . . ?



K. BERND: Yes, 60 years ago.

LEVINSON: Okay, thank you. Doug Bernd, with MMC.[sic].

D. BERND: Thank you. I'm coming as a spokesman for the Washington Movers Conference. I'm president of the Washington Movers Conference. I come to you with great concern that all these stakeholders' meetings, rate meetings, our organization rewrote the tariff to make it easier to understand, to make it simpler, so people could understand it to make it smooth, to make it streamline. So far, that was two years ago. So far, none of that has been implemented. We've been to I don't know how many stakeholders' meetings. Almost everything we've come-- brought to the table has been totally disregarded. I think the agenda was established for this hearing two years ago. I think the whole process so far has been a waste of my time. I can't tell you how many times I've driven over the mountains to meetings. My life is the moving and storage business. My father was in the moving and storage business. My grandfather was in the moving and storage business, um, my kids plan on being in the moving and storage business if there is any left, and I consider this assault on our industry — and that's exactly what it is — binding estimates, 35 percent discounts, let anybody in who wants to be in, it's going to basically ruin an industry which right now has an excellent reputation. I think if you look at the numbers, the number of people who've actually filed complaints about being treated unfairly by the movers, I think you'll find it's less than 1 percent, um, and I don't think they're too many industries that can boast a record like that — the Washington Movers Conference is a Better Business Bureau of the moving industry, we monitor our members to make sure, you know, people are not being predatory, that they're taking care of their customers, and, um, I wish we could get taken care of like we take care of our customers. I'll entertain any questions.

LEVINSON: Questions?

GILLIS: [inaudible].

LEVINSON: I cannot read the name signed up, but Door to Door Storage.

OUTCALT: My apologies for my lack of penmanship. I'll blame my, no, I'll have to take credit for that myself. Madam Chairwoman and Commissioner Gillis, this is my first time, I'm sorry, my first time in the hearing, so I apologize if I don't follow the customs and protocols to their letter. My name is Rob Outcalt from Door to Door Storage. For Door to Door, I've been a driver for 10 months and also now work in the operations area of the company. Our attorney, our main counsel is not here today. His name is Dave Wiley. He's been working very closely with the staff regarding the issues that are brought to your attention.

We do support the change, particularly to section f, 4f, and today's document which regards the definition and the exclusion of the self service storage containerized, or, containers I should say. Um, there's primarily three reasons and I'll make three brief points and then take any questions. My first point really boils down to the staff's position really seems to be following sort of the general trend towards deregulation. You know, 1994 began with the Federal Aviation Authorization Act and 1995, the ICC Termination Act and, of course, Governor

Locke's 9702 having these bodies review the rules and take a look at what really was out there for the consumers.

My second point is that the portable containerized storage service really is appreciated and very much utilized by consumers in the state of Washington and that's really the nut of it. The consumers really enjoy that. I can speak from personal experience of driving the trucks and being a customer care rep for 10 months and many, many times people say "This is such a great idea. Why didn't we think of that? That's such a great idea." It gives us another option and I think that's the main key here and my point, too, is that we provide a new possible option for people.

And that leads into my third point, and really the most important point — consumers want options. They want to save money. You can take a look at the U-Haul and Ryder Truck Rental Companies and how explosive their growth has been. You know, they're multi-billion dollar companies because people want to do it themselves or they want to save money. Now, with the portable containerized storage, people can hire a moving company to load the containers — the portable containers. That's fine. We don't do any of the — handle the goods whatsoever. People take — if even if they don't hire a moving company, people take very good care of the goods. I mean they are their own goods so they do have a vested interest in packing carefully. So, in closing, I would also like to say on point three that because of competition and the portable storage industry, your price for each container has dropped in recent months. It was \$65 for a container just even earlier this year. Now it's down to \$49 per container, so there is great competition within the industry, again, providing a better cost of service for consumers. And that's really what it boils down to.

So, in conclusion, I just urge you to accept the staff's — and I appreciate all the staff's hard work taking many, many comments, and I'm sure you've seen the record, so I won't reiterate that, but I urge you to accept the staff's recommendations.

LEVINSON: Thank you. Questions?

GILLIS: No Questions.

LEVINSON: Thank you.

D. BERND: Thank you.

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WOODRING:

LAWRENCE:

TUTTON:

SMITH

MCCULLOCH

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MCKAY:

LEVINSON: Thank you. Commissioners, do you have further questions of staff?

GILLIS: You asked my two questions.

LEVINSON: Okay, at this point discussion is appropriate.

GILLIS: Well, uh, I guess to begin, it's unfortunate that members of the Movers Conference still you aren't listened to and I certainly don't doubt your sincerity — I know that must be frustrating, but I — my experience with the staff is that they're highly professional and they're, they're committed to independent evaluation and I think it's much more likely that there's a, there's a difference of, of position, not being listened to, and I should also report our process as commissioners is, we don't rely on filtered information. We, we do read the staff documents, but we also request and receive regular briefings on, on rule makings of this import, as well as we directly read comments that are written, so we have our own evaluation although we rely heavily on the staff and as I say, their judgment is something that I trust. But, there's been a lot of information that's gone into this and I have no doubt that this is a good faith effort on the part of everybody at the Commission, but I do recognize your concern and I, I, I know that you state it sincerely.

The issue of authority has been addressed from my perspective from Ms. Rendahl's comment. The — this one thing influences my, my view of this, is, is that this isn't the first segment of the transportation industry where we've begun the process of, of, of, less regulation and, uh, it's turned out to be, quite frankly to my surprise, more successful in the freight segment of the industry than I would have thought it would be with less consequences and you never quite know going in, but there, there, there are some precedences [sic] to learn from, from that. And there certainly is a need to, to balance the consumer, um, benefit with any potential harm to industry with respect to rule making like this and it is something that we take very, very seriously and the comments made particularly by the Movers Conference raise legitimate issues of potential harm.

But my view, um, is one that a lot of your, your concerns — well maybe not to your full satisfaction — have been addressed as [interventions?interventions?] of the rule. They have been incorporated to some extent. But the issues of, particularly of banded rate, it's a tough one and I guess we've got to answer two questions: 1) what is the potential harm? Uh, setting the band too small, the potential harm is, is you never will get to a point of competitive entry which you may or may not agree is appropriate. But from the starting point that, that competitive entry is appropriate, then a band too small would limit that opportunity. And, so there would be harm to consumers of setting the band too small. Uh, a band too large, um, could potentially result in predatory pricing which is part of your comments that you've raised many times. But on — what is in the favor of, of setting larger, potentially larger bands for this particular industry is pointed out by the staff economist's memo is, is the structure, the cost structure of the industry having high variable cost component and to the extent we're successful with the ease of entry, it — I think it's going to be pretty hard for anybody to sustain a predatory price very long. Uh, so that

kind of weighs in favor of a bit more of a liberal approach. And I'm also just pleased with the staff's commitment to work with the stakeholder groups over the next year or so in developing an appropriate methodologies. I do think it needs to occur. There needs to be a discussion of the right cost basis for setting banded rates. And if banded rates are appropriate at all in the long run. And there just needs to be stakeholder work together with that and I hope that occurs.

Um, if I have any qualms at all, it has to do with issues raised — it has to do with the binding estimates. I have real mixed feelings about that for reasons that have been raised. The — but it works both ways. The consumers are frustrated when a mover — we'll say an unscrupulous mover — uh, to the extent they exist — show up and, and would not provide what was expected of the consumer ahead of time. That's a frustration itself. Uh, a binding rate can result in consumer confusion indeed, but it's a different type of confusion and we just need to deal with the balance. In all consumer protection measures there's a balance between doing the best we can to give consumers the best information, the best [competence or confidence?] as possible and I think we're all on the same side on that one, but it's — that is a difficult call, but I, I, I, would tend to, um, I agree with the position that's in the rules on that one.

LEVINSON: Okay. Let me start by saying I think this, uh, docket, instead of decisions inherent in this docket, is one of the most important that's faced the Commission since I've been here. The magnitude of change that we are proposing with regard to this industry is the most significant this industry has seen in this state in all the decades it has been in existence. So, I'd like to first express my appreciation to the members of the industry and to the staff and to the members of the public and the public counsel for engaging so thoroughly for more than a year. For treating each other respectfully, for offering serious and thoughtful input at each stage of the process. There are obviously quite diverse perspectives on a number of very important issues for good reason and those, I believe, have been fought out in the fashion that they should be of matters of import before this Commission.

I have reviewed this docket very carefully. I've read all of the comments filed at each stage of the rule making from members of the public, from members of the industry, from various legal counsel. I have sought my own assistance from legal counsel from the attorney general's office throughout to make sure that we were in fact consistent with our statutory authority. I took the time to tour facilities, meet with the Movers Conference to learn what I could firsthand about those operations. So, I do believe the process has been a thorough one and I do believe all parties have been heard, although obviously agreement has not been reached on some significant issues.

I think that anytime consumers in our state are incited [sic] to seek illegal support for the activities that they want to pursue, that is their consumer choice — something is wrong with the system. Consumers in our state are confused about how moving intrastate residential moving works. This is an example for me of where the government is viewed by the consumers as being in the way of what consumers need rather than being there to help consumers. So, I believe, despite what I think are very good issues that have been raised today — legitimate issues that have raised by the industry today from their perspective is not a perspective I share and I believe that the rule as drafted, um, is the right thing to do. I think the rules represent good public policy



for the Commission and for the state by promoting open markets and consumer choice and by eliminating barriers to entry in by enhancing consumer protection. Um, I recognize the concerns expressed about our ability to enforce the new rules. I think that is a legitimate issue to raise. I think for any public agency the — whether we have sufficient staff to enforce as we might like is always going to be an issue regardless of what the rule is. It has been an issue in the past and we need to commit to do all we can do working with the industry to enforce appropriately the new rules. In keeping with our past practice, we will first focus on technical assistance and use enforcement as a last resort, but we will use it for those who do not come into compliance.

With regard to easing of entry and rate flexibility, I concur with the rule as proposed. With regard to finding estimates, I had some of the initial concerns that Commissioner Gillis expressed, but given that is not mandatory but optional for the carriers, I am comfortable moving forward with that as well. And on the issue of definition of household goods, I again agree with the language proposed in the rule. I think that is the logical extension of the rule that we have before us today.

Let me say if I can inject a note of at least what seemed humorous to me was in dealing with this rule for all the months that we have, um, and in wondering why this job feels like it's with me 24 hours a day, I was driving down the highway listening to Kathryn Graham's autobiography which was supposed to be about Washington and politics and other things critical to our country, and she said there are certain experiences in life — among them, child bearing and moving — that for some reason, due to the passage of time between them, we forget how painful they really are. And she was commenting about a bad experience she had with moving — not childbirth.

Um, but that was a good reminder to me that although you don't see hundreds of consumers in this hearing room, the nature of the beast is that people don't move all that frequently, but when they do, and the experience is not one that serves them well, they let us know that. And I think the reforms that are proposed here today are, uh, exactly what the consumers of this state have a right to see and I fully support them. I am sorry that we were not able to come to consensus among everybody who participated in this rule making. It's always our preference, but when we believe that the approach suggested is the right one, and consensus is not possible, we need to proceed apace. So I will support the rule as proposed today.

GILLIS: Okay, with that, I'll offer a motion. With regard to Docket TV971477 the rule making for motor carriers of household goods, I move the Commission repeal all rules in Chapter 480-12 WAC except WAC 480-12-100 and 480-12-375 and adopt a New Chapter 480-15 WAC Governing carriers of household goods.

LEVINSON: And I will second that. That motion carries. Um, at this point we will not adjourn. We will recess until the 23<sup>rd</sup> of November for our hearing on our universal service rule.

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