

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of Determining the Proper
Carrier Classification of, and Complaint
for Penalties against:

PAULINO JOSE GONZALEZ AND
VERONICA LUNA
D/B/A UNIVERSAL MOVING

DOCKET TG-190490

ORDER 02

INITIAL ORDER CANCELLING
BRIEF ADJUDICATIVE
PROCEEDING; APPROVING
SETTLEMENT AGREEMENT

BACKGROUND

- 1 **PROCEDURAL HISTORY.** On July 8, 2019, the Washington Utilities and Transportation Commission (Commission) entered Order 01, Order Instituting Special Proceeding; Complaint Seeking to Impose Penalties; and Notice of Mandatory Appearance at Hearing (Order 01), initiating this docket on its own motion. The Complaint alleges that Paulino Jose Gonzalez and Veronica Luna d/b/a Universal Moving (Universal Moving or Company) violated RCW 81.77.040 by offering and advertising to provide solid waste collection services within the state of Washington without the necessary certificate required for such operations. On the same date, the Commission issued a Subpoena and Subpoena Duces Tecum for Production of Documents to the Company commanding Paulino Jose Gonzalez and Veronica Luna to appear before the Commission at a special proceeding scheduled to convene at 9 a.m. on August 21, 2019, and to bring the documents specified in the subpoenas.
- 2 On August 21, 2019, Ms. Luna appeared at the special proceeding and requested a hearing to contest the allegations set forth in Order 01. The Commission concluded that a formal classification hearing was necessary to determine whether Universal Moving had engaged in business as a solid waste collection company for compensation within the state of Washington without possessing the certificate required for such operations, and set a brief adjudicative proceeding for October 7, 2019.

3 On September 26, 2019, Staff filed with the Commission a Settlement Agreement and a
Joint Narrative Supporting Settlement Agreement (Narrative).

4 Nash Callaghan, Assistant Attorney General, Olympia, Washington, represents Staff.
Paulino Jose Gonzalez and Veronica Luna, Olympia, Washington, represents Universal
Moving.

5 **SETTLEMENT AGREEMENT.** The Parties present the Settlement Agreement as a full
resolution of all matters in dispute.

6 The Parties represent that following the August 26, 2019 proceeding, Staff discussed with
the Company the services it offered and why those services resulted in the alleged
violations. The Parties further represent that the Company has changed the services it
offers, and based on this change, Staff is no longer seeking to classify the Company as a
solid waste collection company.

7 Under the Settlement Agreement, the Company admits to two violations of RCW
81.77.040: one violation for advertising and one violation for operating as a solid waste
collection company without obtaining a certificate of public convenience and necessity
from the Commission.

8 Under the Settlement Agreement, the Parties agree that the Commission should impose a
total penalty of \$2,000 for the two violations. The Parties further agree that the Company
should pay \$500 of the penalty, and that the remaining \$1,500 of the penalty should be
suspended and then waived on the conditions set out in paragraph 10 below.

9 Under the Settlement Agreement, the Company agrees to work with Staff to establish a
mutually agreeable payment arrangement to pay the \$500 penalty in installments. The
Parties further commit to file a letter describing a mutually agreed payment arrangement
to the Commission within ten days of this order.

10 Under the Settlement Agreement, the Parties agree that \$1,500 of the penalty should be
suspended for a period of two years, and then waived upon the Company's compliance
with the following conditions: (1) the Company must not provide solid waste collection
services without obtaining the proper certificate from the Commission, and must not
otherwise violate any Commission law or rule; and (2) the Company must comply with
each step of any payment plan that the Parties file or the Commission Orders.

11 Finally, the Parties agree that the Settlement Agreement is in the public interest, and that it constitutes a settlement of all contested issues in this proceeding.

DISCUSSION AND DECISION

12 WAC 480-07-750(2) states, in part: “The commission will approve a settlement if it is lawful, supported by an appropriate record, and consistent with the public interest in light of all the information available to the commission.” Thus, the Commission considers the individual components of the Settlement Agreement under a three-part inquiry, asking:

- Whether any aspect of the proposal is contrary to law.
- Whether any aspect of the proposal offends public policy.
- Whether the evidence supports the proposed elements of the Settlement Agreement as a reasonable resolution of the issue(s) at hand.

The Commission must determine one of three possible results:

- Approve the proposed settlement without conditions.
- Approve the proposed settlement subject to conditions.
- Reject the proposed settlement.

13 We approve the Settlement Agreement without conditions. The Company has admitted to the violations and promptly cured them by changing its operations so that it no longer provides solid waste collection services. The Company’s cooperation with Staff and prompt action to correct the violations demonstrate the Company’s understanding of the importance of complying with Commission rules and its intention to comply in the future. The penalty should create sufficient incentive for the Company to comply with the terms of the settlement and discourage future violations.

14 The public interest is served by this Settlement Agreement by concluding this matter without further expenditure of public resources on litigation expenses in this case.

15 Overall, the terms of the Settlement Agreement are not contrary to law or public policy and reasonably resolve all issues in this proceeding. Additionally, the Settlement Agreement reasonably resolves the issues at hand. Given these factors, we find the Settlement Agreement is consistent with the public interest and should be approved as filed.

FINDINGS AND CONCLUSIONS

- 16 (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 solid waste collection carriers, and has jurisdiction over the parties and subject matter of this proceeding.
- 17 (2) Universal Moving committed two violations of RCW 81.77.040: one violation for advertising as a solid waste collection company without obtaining a certificate of public convenience and necessity from the Commission, and one violation for operating as a solid waste collection company without obtaining a certificate of public convenience and necessity from the Commission.
- 18 (3) The Settlement Agreement is not contrary to law or public policy and it reasonably resolves all issues in this proceeding.
- 19 (4) The Settlement Agreement is consistent with the public interest and should be approved as filed.
- 20 (5) The Commission should approve the Settlement Agreement without condition and order the penalty amount and conditions as proposed by the Parties in the Settlement Agreement.

ORDER

THE COMMISSION ORDERS:

- 21 (1) The Settlement Agreement is approved without conditions, is attached as Exhibit A to, and incorporated into, this Order, and is adopted as the final resolution of all issues in this proceeding.
- 22 (2) Paulino Jose Gonzalez and Veronica Luna d/b/a Universal Moving is assessed a penalty of \$2,000. \$1,500 of the penalty is suspended for a period of two years from the date of this order, and then waived, subject to the following conditions: (a) Paulino Jose Gonzalez and Veronica Luna d/b/a Universal Moving must not provide solid waste collection services without obtaining the proper certificate from the Commission, and must not otherwise violate any Commission law or rule; and (b) Paulino Jose Gonzalez and Veronica Luna d/b/a Universal Moving

must comply with each step of any payment plan that the Parties file or the Commission Orders, in accordance with paragraph 23.

- 23 (3) Paulino Jose Gonzalez and Veronica Luna d/b/a Universal Moving will work with Staff to establish a mutually agreeable payment arrangement to pay the \$500 penalty in installments. The Parties will to file a letter describing a mutually agreed payment arrangement to the Commission within ten days of this order.
- 24 (4) The remaining procedural schedule in this matter is suspended and the brief adjudicative proceeding scheduled in this matter for October 7, 2019, is cancelled.
- 25 (5) The Commission retains jurisdiction to effectuate the terms of this Order.

DATED at Lacey, Washington, and effective October 1, 2019.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Laura Chartoff
LAURA CHARTOFF
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).

Exhibit A
Settlement Agreement

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of Determining the Proper
Carrier Classification of, and Complaint for
Penalties against:

PAULINO JOSE GONZALEZ
VERONICA LUNA
D/B/A UNIVERSAL MOVING

DOCKET TE-190490

SETTLEMENT AGREEMENT

I. INTRODUCTION

1 This settlement agreement (“Agreement”) is entered into by both parties to these consolidated proceedings for the purpose of resolving all issues raised in this docket. The Agreement is a “full settlement” as defined in WAC 480-07-730(1) because it is entered into by all parties and resolves all issues raised in this docket.

2 This Agreement is subject to the review and disposition by the Washington Utilities and Transportation Commission (“Commission”) to determine whether it complies with the applicable legal requirements and whether approval of the Agreement is consistent with the public interest. WAC 480-07-740–750.

II. PARTIES

3 The parties to this Agreement are Universal Moving, (“Universal Moving” or “Company”), and Staff of the Washington Utilities and Transportation Commission (“Staff”) (collectively, “the Parties”).

III. BACKGROUND

4 On July 8, 2019, Staff filed with the Commission a Complaint Seeking to Impose Penalties requesting that the Commission impose penalties against Universal Moving for violations of RCW 81.77.040. The Commission set a hearing in the matter for August 21, 2019. Ms. Veronica Luna appeared at the hearing and informed the Commission that the Company

intended to contest the allegations in the complaint. Ms. Luna further stated that the other owner, Mr. Paulino Jose Gonzalez, could not be present that day and would need an interpreter for the hearing. Accordingly, the Commission set the hearing over to October 7, 2019 for oral statements.

5 On August 26, 2019, the Commission served a Notice of Brief Adjudicative Proceeding Universal Moving resetting the hearing. After the hearing in August, Staff discussed with Universal Moving the services offered and why those services resulted in the alleged violations. Since that discussion the Company has changed the services it offers, and based on those changes Staff is no longer seeking classification of Universal Moving as a solid waste collections company.

6 On September 9, 2019, Commission Staff held a conference call with the Company, communicating through an interpreter. During the meeting the parties came to an agreement in principle with respect to penalties.

IV. AGREEMENT

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

8 Universal Moving admits to two violations of RCW 81.77.040, one violation for advertising and one violation for operating as a solid waste collection company without obtaining a certificate of public convenience and necessity from the commission. The Parties agree that a total of \$2,000 in penalties should be assessed for these violations.

9 The Parties further agree that Universal Moving should pay \$500 of the \$2,000 penalty, and the remaining \$1,500 should be suspended on the conditions set out in paragraph 11 below.

10 The Company will work with Staff to establish a mutually agreeable payment arrangement to pay the \$500 penalty in installments. The Parties commit to file a letter describing the mutually agreed payment arrangement to the Commission within ten (10) days of an order approving the Agreement.

11 The Parties agree that the remaining \$1,500 of the \$2,000 penalty should be suspended for a period of two years after an order approving the Agreement, and then waived upon the Company's compliance with the following conditions:

- a) The Company will not provide solid waste collection services without obtaining the proper certificate from the commission, and will not otherwise violate any commission statute or rule.
- b) The Company complies with each step of any payment plan that the Parties file or the Commission orders.

V. GENERAL PROVISIONS

12 The Parties agree that this Agreement is in the public interest. The Parties further agree that this Agreement constitutes a settlement of all contested issues between them in this proceeding. The Parties understand that this Agreement is not binding unless and until accepted by the Commission. If the Commission does not accept this Agreement, including all of its terms and conditions without change, then the Parties shall be free to assert their pre-settlement positions.

13 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. 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.

14 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.

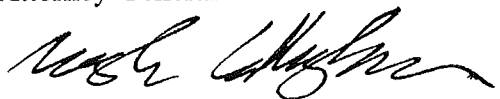
15 The Parties may execute this Agreement in counterparts and as executed shall constitute one agreement. A signed signature page sent by facsimile or email is as effective as an original document.

16 In the event that the Commission rejects all or any portion of this Agreement, or accepts the settlement upon conditions not proposed in 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 the (10) business days of service of the Order rejecting part or all of this Agreement or imposing conditions not proposed in this Agreement. In such event, neither party will be bound or prejudiced by the terms of this Agreement, and the Parties agree to request the prompt reconvening of a prehearing conference and to cooperate in developing a procedural schedule.

Respectfully submitted this 25th day of September 2019.

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

ROBERT W. FERGUSON
Attorney General



NASH CALLAGHAN, WSBA No. 49682
Assistant Attorney General
Counsel for Commission Staff

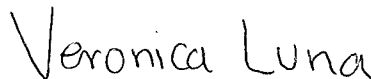
Dated: September 23rd, 2019.

UNIVERSAL MOVING



PAULINO JOSE GONZALEZ
Owner/Representative

Dated: September 24, 2019.



VERONICA LUNA
Owner/Representative

Dated: September 24, 2019.