BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION WASHINGTON UTILITIES AND WASHINGTON UTILITIES AND Complainant, NARRATIVE SUPPORTING SETTLEMENT AGREEMENT CASCADE MOVING & STORAGE, INC., Respondent.

I. INTRODUCTION

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This Narrative Supporting Settlement Agreement (Narrative) is filed pursuant to WAC 480-07-740(2)(a) on behalf of both Cascade Moving & Storage, Inc., (Cascade) and the Staff of the Utilities and Transportation Commission (Staff). Both parties have signed the Settlement Agreement (Agreement), which is attached to this Narrative. This Narrative summarizes the Agreement. It is not intended to modify any terms of the Agreement.

II. PROPOSALS FOR REVIEW PROCEDURE

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The parties submit that this matter is considerably less complex than a general rate proceeding and request that review proceed on a timetable for less complex matters, as provided in WAC 480-07-740(1)(b). To the knowledge of either party, there are no opponents of the settlement. Because of the less complex nature of the matter and the

uncontested status of the settlement, the parties suggest that a formal settlement hearing along with the opportunity for public comment are unnecessary in this case.

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The parties do not intend to file documentation supporting the Agreement, with the exception of the Agreement itself and this Narrative. If the Commission requires supporting documents beyond the Agreement, Narrative, and the other documents on file in this docket, the parties will provide documentation as needed.

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In keeping with WAC 480-07-740(2)(b), the parties are prepared to present one or more witnesses each to testify in support of the proposal and answer questions concerning the settlement agreement's details, and its costs and benefits, should such testimony be required. In addition, both Staff counsel and the company president are available to respond to any questions regarding the proposed settlement that the Commission may have.

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The parties request a streamlined review of the proposed settlement. To that end, the parties waive entry of an initial order, so that the record can be submitted directly to the Commissioners. Finally, the parties would prefer an informal review on a paper record. In accordance with WAC 480-07-730, the parties propose the foregoing procedural alternatives for review of the proposed settlement agreement.

III. SCOPE OF THE UNDERLYING DISPUTE

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The underlying dispute concerns penalties assessed by the Commission against Cascade. In the summer of 2006, Staff conducted a compliance audit of the business practices of Cascade. Staff found violations of laws and rules enforced by the Commission and compiled its findings along with technical assistance and recommendations in an audit report dated July 2006. Based on the recommendations in the report, the Commission

assessed penalties against Cascade on September 5, 2006, for the types of violations that had been addressed with previous technical assistance during field visits and other contacts with Commission Staff.

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Cascade filed an application for mitigation on September 13, 2006, which it supplemented with a statement of reasons in support of its mitigation application on October 18, 2006. Cascade and Staff presented testimony and other evidence at a Brief Adjudication on October 27, 2006. Following the presentation of each party's position, the parties discussed settlement and negotiated an agreement of the issues in dispute.

IV. DESCRIPTION OF PROPOSED SETTLEMENT

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The settlement resolves all of the issues in dispute. The settlement reduces the penalty amount from \$4,900 to \$3,200, and Cascade admits to all of the violations.

V. STATEMENT OF PARTIES' INTERESTS AND THE PUBLIC INTEREST

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As stated in the Settlement Agreement, the settlement represents a compromise of the positions of the two parties. The parties find it is in their best interests to avoid the uncertainty inherent in a litigated outcome. Likewise, it is in the public interest that this dispute conclude without the further expenditure of public resources on litigation expenses.

VI. LEGAL POINTS THAT BEAR ON PROPOSED SETTLEMENT

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In WAC 480-07-700, the Commission expresses its support for parties' informal efforts to resolve disputes without the need for contested hearings when doing so is lawful and consistent with the public interest. The parties have resolved all of the issues in dispute between them, and their resolution complies with Commission rules and, as explained above, is consistent with the public interest.

VII. CONCLUSION

Because the parties have negotiated a compromise on all of the issues in this dispute and because the settlement is in the public interest, both parties request that the Commission approve the attached Settlement Agreement.

Respectfully submitted this ____ day of January, 2007.

ROBERT M. MCKENNA Attorney General

JENNIFER CAMERON-RULKOWSKI Assistant Attorney General Counsel for the Washington Utilities and Transportation Commission ERIC L. STEPHENS
President
Cascade Moving & Storage, Inc.