

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND	)	DOCKET TV-061396
TRANSPORTATION COMMISSION,	)	
	)	ORDER 01
Complainant,	)	
	)	
v.	)	INITIAL ORDER
	)	APPROVING AND ADOPTING
CASCADE MOVING & STORAGE,	)	SETTLEMENT AGREEMENT
INC.,	)	
	)	
Respondent.	)	
.....	)	

1 *Synopsis: This is an Administrative Law Judge’s Initial Order that is not effective unless approved by the Commission or allowed to become effective pursuant to the notice at the end of this Order.<sup>1</sup> If this Initial Order becomes final the Commission will approve and adopt a Settlement Agreement between Cascade Moving & Storage, Inc., and Commission Staff. The Settlement Agreement provides among other things that the company will pay penalties of \$3,200 and diligently satisfy all requirements of law, including the technical requirements in the Commission’s rules and Tariff 15-B, which govern household goods movers providing intrastate service to customers in Washington.*

**MEMORANDUM**

2 Staff performed a compliance audit of the business practices of Cascade Moving & Storage, Inc., during 2006. 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. In conjunction with the report,

---

<sup>1</sup> The parties state in their filing that they waive entry of an Initial Order so that the record might be submitted directly to the Commission for entry of a Final Order. The Commission’s preferred process requires an Initial Order in proceedings in which the Commissioners do not personally preside. To expedite finality, parties may file a letter with the Commission stating that they waive their right to seek administrative review. The Commission can then determine quickly whether it will review the Initial Order on its own motion. If not, a notice of finality will be promptly served.

Staff recommended penalties against Cascade for the types of violations that Staff believed had been previously addressed with technical assistance.

3 In the Notice of Penalties Incurred and Due for Violations of Laws Rules and Regulations issued to Cascade on September 5, 2006, the Commission assessed penalties for violations as follows:

1. Thirty-four violations of WAC 480-15-650(3), for failure to require its customer sign its written estimate form subject to a penalty of \$3,400.
2. One violation of WAC 480-15-660, for failure to issue a supplemental estimate subject to a penalty of \$100.
3. Eight violations of WAC 480-15-690, for charging more than twenty-five percent above the written non-binding estimate, subject to a penalty of \$800.
4. One violation of Item 90 of Tariff 15-B, for failure to require a customer to choose the valuation coverage and note his or her choice on the bill of lading subject to a penalty of \$100.
5. One violation of Item 95, Tariff 15-B, for failure to require customers initial their estimate choice on the bill of lading, subject to a penalty of \$100.
6. One violation of Item 95, Tariff 15-B, for failure to require customers initial their payment choice on the bill of lading, subject to a penalty of \$100.
7. One violation of Tariff 15-B, for failure show the mileage for a mileage rated move on the bill of lading subject to a penalty of \$100.
8. One violation of Item 115, Tariff 15-B, for failure to charge its customer by weight and distance for a mileage-rated move, subject to a penalty of \$100.
9. One violation of Item 200, Tariff 15-B, mileage rates, for failure to charge mileage rates for a move that exceeded thirty-five miles, subject to a penalty of \$100.

The penalties totaled \$4,900.

4 Cascade filed an application for mitigation on September 13, 2006, which it supplemented on October 18, 2006, with a statement of reasons in support of its request. Cascade and Staff presented testimony and other evidence at a Brief Adjudicative Proceeding before Administrative Law Judge Dennis J. Moss on October 27, 2006.<sup>2</sup> Following the presentation of each party's position, the parties discussed settlement and negotiated an agreement of the issues in dispute.

---

<sup>2</sup> RCW 34.05.482-494; WAC 480-07-610.

- 5 The Parties filed their Settlement Agreement and supporting narrative on January 29, 2007. Cascade and Staff state that they entered into the settlement voluntarily as a compromise of their positions and to expedite the orderly disposition of the proceeding. The Settlement Agreement provides that Cascade admits to the violations enumerated in the penalty assessment. The Parties agree that Cascade will pay penalties totaling \$3,200 on the first day of the first month after the Commission issues an order approving their Settlement Agreement. The Parties agree that Cascade will comply with all applicable Commission rules and statutes, including those identified in the enumerated list of violations and penalties above. The Settlement Agreement does not preclude the Commission from pursuing penalties for violations of Commission rules and statutes unrelated to the subject matter of their settlement or for subsequent violations of the rules and statutes identified above.
- 6 The record developed during the Brief Adjudicative Proceeding shows that Cascade, owned and operated by Mr. Eric Stephens, has conducted business as a certificated household goods mover for 28 years. The only evidence of the company's history of complaints shows only two during the past four years. The violations for which Cascade is cited and to which Cascade admits are largely failures to satisfy technical requirements such as obtaining customer signatures or initials on bills of lading in multiple places or on written estimates provided by the company, or omission of one or more pieces of information on a bill of lading. Though these are violations of rules that are technical in nature, the rules provide important consumer protections and must be enforced. There are eight violations that are more serious in nature. These violations result from Cascade having charged more than 25 percent above the company's written non-binding estimate. These violations are subject to penalties of \$800 under RCW 81.04.405.
- 7 Commission personnel, during periodic visits to the company's offices, have offered technical assistance to Mr. Stephens. This technical assistance has included discussions of the need for Cascade to comply, without exceptions, with the types of requirements under the Washington Administrative Code and Tariff 15-B for which the company was penalized in this instance. Mr. Stephens was candid and forthcoming in acknowledging that he has not always succeeded in implementing the advice given during visits from Commission personnel. He acknowledged that Cascade has violated various legal requirements due to his failure to understand fully and implement adequately procedures necessary to achieve 100 percent compliance. He also admitted that some violations for which the company was cited were due to carelessness in his own conduct or in

instructing and supervising his employees. Mr. Stephens, however, described meaningful efforts on his part during recent periods to achieve a better understanding of his obligations, to fulfill them with closer attention to detail, and to instruct and supervise his employees to ensure their understanding and attention to detailed compliance with all legal requirements when providing services to the public. Mr. Stephens's testimony and demeanor were persuasive of his good intentions and the sincerity of his commitment to improved performance going forward.

8 Cascade and Staff agree that it is in their mutual best interests to avoid the uncertainty inherent in a litigated outcome. They observe, too, that the Commission expresses its support in WAC 480-07-700 for parties' informal efforts to resolve disputes when doing so is lawful and consistent with the public interest. Cascade and Staff argue that it is in the public interest that this matter be concluded without the further expenditure of public resources and litigation expenses.

9 The penalty to which the parties agree is less than the maximum penalty but is significant, is tied to the company's admission of wrongdoing, and is proportionate in light of the offenses admitted and the company's post-audit efforts to comply fully with all requirements of law. The settlement includes commitments by the company to be diligent in complying in the future with all pertinent laws and regulations. The terms of the settlement appear reasonable and reflect an appropriate balance of interests. Commission approval and adoption of the parties' Settlement Agreement would be in the public interest.

### **ORDER**

THE COMMISSION ORDERS that:

10 (1) The Settlement Agreement filed by Cascade Moving & Storage, Inc., and Commission Staff on January 29, 2007, which is attached to this Order as an Appendix and incorporated by this reference as if set forth in full in the body of this Order, is approved and adopted in full resolution of the issues in this proceeding.

- 11 (2) Cascade Moving & Storage, Inc., will pay penalties in the amount of \$3,200 within 15 calendar days after the date this order becomes final.<sup>3</sup>
- 12 (3) It retains jurisdiction to effectuate the terms of this Order.

DATED at Olympia, Washington, and effective February 1, 2007.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

DENNIS J. MOSS  
Administrative Law Judge

**NOTICE TO THE 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 480-07-825(2) provides that any party to this proceeding has twenty (20) days after the entry of this Initial Order to file a *Petition for Administrative Review*. What must be included in any Petition and other requirements for a Petition are stated in WAC 480-07-825(3). WAC 480-07-825(4) states that any party may file an *Answer* to a Petition for review within (10) days after service of the Petition.

WAC 480-07-830 provides that before entry of a Final Order any party may file a Petition To Reopen a contested proceeding to permit receipt of evidence essential to a decision, but unavailable and not reasonably discoverable at the time of hearing, or for other good and sufficient cause. No Answer to a Petition To Reopen will be accepted for filing absent express notice by the Commission calling for such answer.

---

<sup>3</sup> This timing is intentionally different from what the parties provided in their Settlement Agreement.

RCW 81.01.060(3), as amended in the 2006 legislative session, 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. You will be notified if this order becomes final.

One copy of any Petition or Answer filed must be served on each party of record with proof of service as required by WAC 480-07-150(8) and (9). An original and eight copies of any Petition or Answer must be filed by mail delivery to:

Attn: Carole J. Washburn, Executive Secretary  
Washington Utilities and Transportation Commission  
P.O. Box 47250  
Olympia, Washington 98504-7250

[Service Date February 1, 2007]

## **APPENDIX**