

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF
RESPONSE TO DATA REQUEST

DATE PREPARED: July 15, 2010
DOCKET: TV-100322
REQUESTER: Bench

WITNESS: Staff
RESPONDER: Michael Fassio
TELEPHONE: (360) 664-1192

Bench Request No. 1.

On June 23, 2010, both parties filed a Settlement Agreement and Narrative in Support of the Settlement. The sole reasons cited for reaching agreement on all disputed issues are the avoidance of further expense, inconvenience, uncertainty, and delay.

In accordance with WAC 480-07-740(2), please supplement the Narrative in Support of the Settlement to explain the rationale for reaching agreement and how the agreement satisfies both parties' interest, the public interest, and is consistent with law.

RESPONSE:

The Parties attempted to address the requirements of WAC 480-07-740(2) in their Statement of Parties' Interests and the Public Interest, paragraph 9. Without repeating the points made in that statement, the following supplements the Narrative.

To the knowledge of Staff, the settlement is uncontested by third parties. Spokane Movers admits that it violated the four commission rules enumerated in the penalty assessment (having also done so in its mitigation request). The company's commitment to compliance is memorialized in the Settlement Agreement. *Settlement Agreement*, ¶ 13. As evidenced by the Agreement filed on June 23, 2010, the Company has agreed to accept the proposed imposition of monetary penalties outlined in the Agreement.

After engaging in negotiations initiated after the company's request for hearing, Staff agreed to a mitigation of the penalty due to \$2,000, with \$5,900 suspended for one year. Staff is satisfied that Spokane Movers promptly took steps to correct the conditions that led to noncompliance once the issues were brought to its attention through the penalty assessment, including ordering and using new, compliant bills of lading, estimate, and cube sheet forms (copies of which have been provided to Staff). Staff is also satisfied that the violations related to the failure to provide cube sheets (representing 67 of the total 79 violations) appears to have been corrected subsequent to the penalty assessment. Moreover, there is no evidence that the conduct leading to the violations was malicious or intended to harm the public. In addition, Spokane Movers committed to attend household goods tariff training presented by Staff, and followed through with that commitment by sending three employees to the training on June 16, 2010. *See Attachment 1 to Response to Bench Request.*

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Suspending a portion of the penalty for one year, conditioned on compliance with pertinent commission rules within that year, also provides an additional incentive for compliance, and an enforcement mechanism, and is therefore in Staff's interest and the public interest. The follow-up compliance investigation, to commence in a year, is also in the Commission's and the public interest because it will enable the Commission to monitor continued compliance with applicable rules within a reasonable period of time and seek additional enforcement action if necessary.

The admission of violations, payment of penalties, and the fact that the Commission retains the ability to pursue further enforcement for subsequent violations of commission rules is fully consistent with law and serves the public interest, and Staff urges that the Commission approve the Settlement Agreement.