

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

In the Matter of the)	DOCKET NO. TV-051472
)	
PENALTY ASSESSMENT AGAINST)	ORDER NO. 02
JORDAN RIVER MOVING &)	
STORAGE, INC.)	ORDER APPROVING
)	SETTLEMENT AGREEMENT
)	AND VACATING SCHEDULE OF
)	PROCEEDINGS
)	
.....)	

1 ***Synopsis:** This order approves a settlement agreement in which Jordan River admits violations of legal and regulatory requirements; pays a monetary penalty of \$13,000, and agrees to comply with legal and regulatory requirements in the future or face possible assessment of further penalties.*

2 **PROCEEDING.** Docket No. TV-051472 involves a penalty assessment of \$22,800 against Jordan River Moving & Storage, Inc. (Jordan River) for violations of Commission rules and household goods tariff.

3 **APPEARANCES.** Mark D. Kimball, attorney, Bellevue, WA, represents Jordan River. Jennifer Cameron-Rulkowski, Assistant Attorney General, Olympia, WA, represents the Commission’s regulatory staff.

4 **BACKGROUND.** Jordan River is located in Kirkland, Washington and has been engaged in the business of moving household goods for the general public since November 6, 2001.¹ This dispute concerns penalties assessed by the Commission against Jordan River for violations of Commission rules and Tariff 15-A, governing the operations of household goods movers in the state of Washington.

¹ Staff Post-Audit Review of the Business Practices of Jordan River Moving & Storage (Post-Audit Review), filed October 20, 2005, p. 10.

5 In June 2004, Staff performed a compliance audit of Jordan River's business practices that demonstrated numerous violations of applicable statutes and rules.² Examples of these violations include:

- Under WAC 480-15-650:³ failure to visually inspect goods to be shipped prior to providing a written estimate; failure to include a complete destination address; failure to obtain customer signature on written estimates; charging more than 125% of a written estimate.
- Under WAC 480-15-490:⁴ failure to ensure that the customer selected a valuation option with proper notation on bill of lading; failure to list the exact name of the consignee; failure to ensure that the customer properly initialed the type of estimate used for the type of move being performed; failure to obtain customer initial on type of valuation coverage shown on bill of lading; charging for items not listed in the tariff; failure to show minimum charge for shipment moving under hourly rate; failure to bill customer for time from when vehicle left carrier terminal until return to terminal; failure to charge rates contained in the tariff; failure to pass through to customers actual cost of ferry transport; failure to apply mileage rates correctly; and failure to notify a customer in writing within ten working days of the receipt of a customer claim.

Jordan River filed a compliance plan regarding those violations on January 31, 2005.⁵

6 In Spring 2005, Staff performed a follow-up audit to see whether Jordan River was following its compliance plan.⁶ Staff found that Jordan River continued to engage in the same types of violations of legal and regulatory requirements as shown in the June 2004 audit and compiled its findings in the Post-Audit Review dated September

² *Id.*, pp. 6-9.

³ WAC 480-15-650 defines when a carrier may provide an estimate, describes specific information required on a written estimate, and defines the period a carrier must retain copies of written estimates.

⁴ WAC 480-15-490 defines tariffs and rates and provides that carriers must charge their customers in accord with Tariff 15A and the rules regarding charges under the tariff.

⁵ Narrative Supporting Settlement Agreement, p. 3.

⁶ *Id.*

2005.⁷ In addition, the Commission assessed penalties against Jordan River for these violations, which are identified in detail in the settlement agreement⁸ and total \$22,800.

7 In response to the penalty assessment, Jordan River filed a request for hearing and a request for mitigation. The company asserted that most of the violations were technical; that it had made refunds to all affected customers; and that overcharges, when they did occur, were minimal. The company pointed out that some violations resulted in actual savings to customers.⁹

8 The Commission convened a prehearing conference on December 14, 2005 and established a schedule for evidentiary hearing. However, the parties entered into settlement discussions and filed a settlement agreement and a narrative in support of the settlement agreement prior to the date set for hearing.

9 **SETTLEMENT.** The settlement provides that:

- All issues in the case are resolved.
- Jordan River admits to the violations identified in the penalty assessment.¹⁰
- Jordan River will pay \$13,000 in penalties according to an installment plan provided for in the agreement.¹¹
- If Jordan River fails to comply with legal and regulatory requirements in the future, the Commission may pursue additional penalties.¹²

10 **NARRATIVE SUPPORTING SETTLEMENT.** In the parties' narrative supporting the settlement agreement, they waive an initial order in this case and ask

⁷ Post-Audit Review, filed October 20, 2005.

⁸ *Id.*; see also, Settlement Agreement, ¶ 4, May 5, 2006.

⁹ *Id.*

¹⁰ With the exception of violation Nos. 8 and 12, which staff agrees were assessed in error. Settlement Agreement, ¶ 6.

¹¹ Settlement Agreement, ¶¶ 6-7.

¹² Settlement Agreement, ¶ 8.

the Commission to review the settlement and enter a final order without convening a hearing.¹³ They also assert that settlement is in the public interest because it avoids the expense, inconvenience, uncertainty and delay caused when full litigation occurs. Moreover, the parties point out that resolving the dispute with a settlement avoids further expenditure of public resources.

- 11 **DISCUSSION AND DECISION.** Under WAC 480-07-700, the Commission may approve a settlement agreement if the settlement serves the public interest. The settlement in this proceeding serves the public interest because it demonstrates Jordan River's admission that it has violated legal and regulatory requirements, it imposes substantial penalties for the identified violation to encourage future compliance, and it provides that the commission may pursue future penalties should Jordan River fail to comply with those requirements in the future. In addition, settlement avoids unnecessary expenditure of the parties' and the Commission's resources, time and effort. We find that the settlement agreement should be approved.

ORDER

- 12 IT IS ORDERED THAT The settlement agreement filed by the parties is approved.

Dated at Olympia, Washington, and effective May 18, 2006.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner

¹³ Narrative, ¶4.

NOTICE TO PARTIES: This is a final order of the Commission. In addition to judicial review, administrative relief may be available through a petition for reconsideration, filed within 10 days of the service of this order pursuant to RCW 34.05.470 and WAC 480-07-850, or a petition for rehearing pursuant to RCW 80.04.200 or RCW 81.04.200 and WAC 480-07-870.