

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND	)	DOCKET TV-122004
TRANSPORTATION COMMISSION,	)	
	)	
Complainant,	)	ORDER 03
	)	
v.	)	
	)	INITIAL ORDER APPROVING
OLYMPIC MOVING & STORAGE,	)	SETTLEMENT AGREEMENT WITH
INC., d/b/a OLYMPIC MOVERS,	)	ONE CONDITION
	)	
Respondent.	)	
	)	
.....	)	

**BACKGROUND**

- 1 On July 3, 2014, the Washington Utilities and Transportation Commission (Commission) through its regulatory Staff (Staff)<sup>1</sup> filed a complaint against Olympic Moving & Storage, Inc., d/b/a Olympic Movers (Olympic Movers or Company). The complaint alleges that Olympic Movers committed 320 violations of Commission rules and state statutes. The Commission entered Order 01, Prehearing Conference Order, on September 23, 2014, adopting a procedural schedule for this proceeding. The Commission suspended that schedule by notice issued on November 17, 2014, and established a revised schedule in Order 02, Second Prehearing Conference Order, entered on January 5, 2015.
  
- 2 On January 23, 2015, Staff filed a Settlement Agreement between Staff and Olympic Movers (Settlement) on behalf of the parties resolving all issues in this docket. The Settlement includes the following provisions:

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<sup>1</sup> In formal proceedings, such as this, the Commission’s regulatory staff participates like any other party, while the Commissioners make the decision. To assure fairness, the Commissioners, the presiding administrative law judge, and the Commissioners’ policy and accounting advisors do not discuss the merits of the proceeding with the regulatory staff, or any other party, without giving notice and opportunity for all parties to participate. See RCW 34.05.455.

- Staff withdraws the third cause of action alleged in the complaint.<sup>2</sup>
- Olympic Movers admits that it violated RCW 81.04.070, WAC 480-15, and Tariff 15-C as alleged in the first and second causes of action.<sup>3</sup>
- The Commission should assess a penalty of \$45,000 for the violations alleged in the second cause of action, to be paid in 18 monthly installments.<sup>4</sup>
- The Commission should assess a penalty of \$43,000 for the violations alleged in the first cause of action, which should be suspended on condition of future compliance with the Settlement.<sup>5</sup>
- Olympic Movers will issue refunds to its customers totaling \$4,175.44 as detailed in Staff's investigation report within 30 days of the effective date of the Settlement.<sup>6</sup>
- Within 45 days of the Settlement effective date, Olympic Movers must submit a written compliance plan establishing the Company's procedures to prevent future violations of the type detailed in Staff's investigation report.<sup>7</sup>
- Within one year, specified Company employees must attend a Commission-sponsored household goods carrier training.<sup>8</sup>
- Staff will conduct a follow-up investigation within one year and provide a recommendation regarding whether the Commission should waive or impose the suspended portion of the penalty.<sup>9</sup>

3 On February 11, 2015, the Commission conducted a hearing on the Settlement (Settlement Hearing) to address issues identified in the Notice of Hearing issued on

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<sup>2</sup> Settlement ¶ 5.

<sup>3</sup> *Id.*

<sup>4</sup> *Id.* ¶ 7.

<sup>5</sup> *Id.* ¶ 6.

<sup>6</sup> *Id.* ¶ 9.

<sup>7</sup> *Id.* ¶ 10.

<sup>8</sup> *Id.* ¶ 12.

<sup>9</sup> *Id.* ¶ 13.

February 3, 2015. The parties clarified the following aspects of the Settlement during the hearing:

- The Settlement is a holistic resolution of all causes of action alleged in the complaint, even though the agreement only specifically addresses the first three causes of action.
- Olympic Movers admits to unspecified violations of RCW 81.04.070, WAC 480-15, and Tariff 15-C alleged in the complaint, but the parties intend the compliance plan the Company must submit and implement to address all of the alleged violations.
- The Settlement refers to the Staff investigation report rather than the complaint because the report is more detailed. The Company will work with Staff to develop and file a mutually acceptable compliance plan, and the parties will raise any unresolved disagreements over the provisions of that plan by the date Olympic Movers must file it.
- Staff's reinvestigation of the Company within one year will include determining whether Olympic Movers has made a good faith and diligent effort to comply with the legal requirements identified in the Staff investigation report. That reinvestigation must begin within one year and with the exception of payment of the penalty amount due, will review the Company's compliance only within one year following the effective date of the Settlement, even if the reinvestigation is not be completed within that time. Staff, however, will not recommend waiver of the suspended penalty amounts unless and until the Company has paid the entirety of the penalty amount Olympic Movers must pay, even if that payment extends beyond one year.
- Installment payments are due on the 10<sup>th</sup> of each month. Any prepayment of the penalty amount will be credited to the last date or dates an installment is due unless Olympic Mover requests, and the Commission approves, a different accounting treatment.
- Olympic Movers does not object to the standard Commission requirement for installment payment plans that if the Company fails to make a timely payment of an installment, the entire remaining balance of the penalty immediately will be due and payable without further Commission order.

4 Julian Beattie, Assistant Attorney General, Olympia, Washington, represents the Staff. Joseph A. Rehberger, Cascade Law Group PLLC, Olympia, Washington, represents Olympic Movers.

### DISCUSSION AND DECISION

5 WAC 480-07-750(1) states in part: “The commission will approve settlements when doing so is lawful, the settlement terms are supported by an appropriate record, and when the result is 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 condition.
- Approve the proposed settlement subject to conditions.
- Reject the proposed settlement.

6 The Commission approves the Settlement as clarified during the Settlement Hearing with one condition. The parties made concessions in the Settlement relative to their respective litigation positions to arrive at end results that are supported by the evidence in the record. Olympic Movers admits that its conduct violated RCW 81.04.070, WAC 480-15, and Tariff 15-C. The \$88,000 penalty, \$43,000 of which is suspended, is reasonable, both in terms of the \$45,000 penalty the Company must pay now, and the suspended amount it must pay if it fails to comply with the Order. The Settlement also properly requires Olympic Movers to refund the \$4,175.44 in incorrectly billed charges to its customers and undertake a good faith and diligent compliance effort, including but not limited to submitting an acceptable compliance plan and attending Commission-sponsored training to assist in preventing future violations of the legal requirements addressed in Staff’s investigation report.

7 The parties agreed that the Commission should permit Olympic Movers to pay the \$45,000 penalty that is not suspended in 18 equal monthly installments. The

Commission generally does not permit such an extended payment schedule, but in light of the amount of the penalty relative to the size of the Company, the parties' agreed repayment plan is acceptable with one condition. Consistent with the Commission's standard requirements for all installment payment plans, if Olympic Movers fails to pay any installment by the date it is due, the entire remaining balance will become immediately due and payable without further Commission order. We also note that failure to make timely payments is a violation of the Settlement, which under its terms would authorize Staff to seek imposition of the \$43,000 suspended portion of the total penalty amount.

- 8 With this condition, the terms of the Settlement Agreement are not contrary to law or public policy and reasonably resolve all issues in this proceeding. The Settlement supports the Commission's goal of deterring illegal operations and permits the Company to pay a reduced penalty contingent on the Company complying with the Settlement for one year, which provides an incentive for ongoing compliance. Given these factors, we find the Settlement is consistent with the public interest and should be approved.

### **ORDER**

#### **THE COMMISSION ORDERS:**

- 9 (1) The Commission approves the Settlement Agreement, which is attached as Exhibit A to, and incorporated into, this Order, as clarified by the parties during the Settlement Hearing, and the Commission adopts the Settlement Agreement as the final resolution of the disputed issues in this docket as modified in this Order.
- 10 (2) The Commission assesses Olympic Moving & Storage, Inc., d/b/a Olympic Movers a penalty of \$88,000 of which \$43,000 is suspended for up to eighteen months from the effective date of this Order conditioned on Olympic Moving & Storage, Inc., d/b/a Olympic Movers complying with the terms of this Order.
- 11 (3) Olympic Moving & Storage, Inc., d/b/a Olympic Movers may pay the \$45,000 of the penalty that is not suspended in consecutive monthly installments of \$2,500, each of which is due and payable no later than the tenth day of each month for 18 months beginning the first full month after the effective date of

this Order. Olympic Moving & Storage, Inc., d/b/a Olympic Movers may make payments in advance of these due dates to discharge its payment obligation, but if it fails to pay any installment by the due date, the entire remaining balance of payments will become immediately due and payable without further Commission order.

- 12 (4) Olympic Moving & Storage, Inc., d/b/a Olympic Movers must issue refunds to its customers totaling \$4,175.44 as required under paragraph 9 of the Settlement Agreement within 30 days of the effective date of this Order.
- 13 (5) Olympic Moving & Storage, Inc., d/b/a Olympic Movers must submit a compliance plan as required under paragraph 10 of the Settlement Agreement within 45 days of the effective date of this Order.
- 14 (6) Olympic Moving & Storage, Inc., d/b/a Olympic Movers must have its employees attend a Commission-sponsored household goods carrier training as required under paragraph 12 of the Settlement Agreement within one year of the effective date of this Order.
- 15 (7) Within one year of the effective date of this Order, Commission Staff must initiate a reinvestigation of Olympic Moving & Storage, Inc., d/b/a Olympic Movers to determine its compliance with the terms of this Order. Based on the results of that reinvestigation, Staff must recommend to the Commission whether to waive or impose the \$43,000 suspended penalty amount.
- 16 (8) The Commission retains jurisdiction to enforce the terms of this Order.

Dated at Olympia, Washington, and effective February 12, 2015.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

GREGORY J. KOPTA  
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 480-07-825(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 ten (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.

RCW 80.01.060(3) 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 fails to exercise administrative review on its own motion.

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 **five (5)** copies of any Petition or Answer must be filed by mail delivery to:

Attn: Steven V. King, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
P.O. Box 47250  
Olympia, Washington 98504-7250

**Exhibit A  
Settlement Agreement**