



STATE OF WASHINGTON

## WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY (360) 586-8203

November 6, 2008

Dear Carriers:

Subject: Application of Storage-in-Transit (SIT)

The Utilities and Transportation commission (UTC) receives many calls from the state's moving companies asking about the proper way to charge customers for storage-in-transit (SIT) rates. Commission staff thought it would be helpful to provide the industry with an explanation of how to apply SIT rates.

Storage-in-transit is temporary storage of a customer's possessions for 90 days or less. The storage can be in a warehouse owned by the moving company or in a warehouse the carrier has chosen as its agent. Liability for the customer's belongings while in SIT remains the responsibility of the moving company. **A move that includes SIT is one continuous move from original pick-up to final destination.**

We have two tables that illustrate the correct calculation of SIT rates on a 200-mile move where the customer's possessions weigh 8,000 pounds.

Each of the attached tables shows the cost of the move from the original pick-up location to a storage site from different distances. We also include information on minimum and maximum rates that companies can charge in each scenario. In addition, we compute transportation costs for each move from pick-up at the storage site to the final destination. The customer is responsible for paying the bill in two installments – (1) from original pick-up to the storage site and (2) from the storage site to the final destination.

Example one (1) calculates the cost of the SIT rates for a move from the original pick-up location to a storage site 10 miles away (this method applies to all moves less than 55 miles from origin). Example two (2) determines the charges for a storage site 100 miles from the original pick-up location (this method applies to all moves more than 55 miles from origin). These examples do not consider all possibilities that may take place during a move.



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If you have questions regarding the application of the SIT rates, please contact Ms. Penny Ingram, regulatory analyst, (360) 664-1242 or at [pingram@utc.wa.gov](mailto:pingram@utc.wa.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "David W. Danner", with a long horizontal flourish extending to the right.

David W. Danner  
Executive Director and Secretary

Attachment

**Example 1: Origin to Storage 10 miles. Total shipment is 200 miles weighing 8000 pound. Storage is 30-days.**

		Minimum	Maximum
<b>Transportation into Storage</b>			
1	Weight (pounds).	8000	8000
2	Convert pounds to 100 weight by dividing Line 1 by 100.	80	80
3	Miles from Origin to SIT.	10	10
4	Mileage Rates - per pound (Tariff 15-C, Item 201)	\$0.0687	\$0.1433
5	Transportation Charge - Origin to SIT (multiply Line 4 times Line 1).	\$549.60	\$1,146.40

<b>Storage</b>			
6	Warehouse Handling "In" rate per 100 pounds (Tariff 15-C, Item 100 3(b)).	\$0.89	\$1.86
7	Warehouse Handling "In" Charge (multiply Line 6 times Line 2).	\$71.20	\$148.80
8	30-day Storage rate per 100 pounds (Tariff 15-C, Item 100 3(b)).	\$0.98	\$2.05
9	Total 30-day Storage Charge (multiply Line 8 times Line 2).	\$78.40	\$164.00
10	TOTAL Storage "In" (Line 7 plus Line 9)	\$149.60	\$312.80

<b>11</b>	<b>Payment - Origin Into Storage (Line 5 plus Line 10)</b>	<b>\$699.20</b>	<b>\$1,459.20</b>
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<b>Transportation out of storage</b>			
12	Total Mileage from "Origin to SIT" and from "SIT to Final Destination."	200	200
13	Mileage Rates - per pound (Tariff 15-C, Item 200)	\$0.1553	\$0.3236
14	Total Transportation Charge (multiply Line 13 times Line 1).	\$1,242.40	\$2,588.80
15	Warehouse Handling "Out" - rate per 100 pounds (Tariff 15-C, Item 100 3(b)).	\$0.89	\$1.86
16	Warehouse Handling "Out" Charge (multiply Line 15 times Line 2).	\$71.20	\$148.80
17	TOTAL Transportation Charge plus Warehouse "Out" Charge (Line 14 plus Line 16).	\$1,313.60	\$2,737.60

<b>18</b>	<b>TOTAL Customer Owes Upon Delivery at the Final Destination (Line 17 minus Line 5).</b>	<b>\$764.00</b>	<b>\$1,591.20</b>
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**Example 2: Origin to Storage 100 miles. Total shipment is 200 miles weighing 8000 pound. Storage is 30-days.**

		Minimum	Maximum
<b>Transportation into Storage</b>			
1	Weight (pounds).	8000	8000
2	Convert pounds to 100 weight by dividing Line 1 by 100.	80	80
3	Miles from Origin to SIT.	100	100
4	Mileage Rates - per pound (Tariff 15-C, Item 200)	\$0.1247	\$0.2599
5	Transportation Charge - Origin to SIT (multiply Line 4 times Line 1).	\$997.60	\$2,079.20

<b>Storage</b>			
6	Warehouse Handling "In" rate per 100 pounds (Tariff 15-C, Item 100 3(b)).	\$0.89	\$1.86
7	Warehouse Handling "in" Charge (multiply Line 6 times Line 2).	\$71.20	\$148.80
8	30-day Storage rate per 100 pounds (Tariff 15-C, Item 100 3(b)).	\$0.98	\$2.05
9	30-day Storage Charge (multiply Line 8 times Line 2).	\$78.40	\$164.00
10	TOTAL Storage "In." (Line 7 plus Line 9)	\$149.60	\$312.80

<b>11</b>	<b>Payment - Origin Into Storage (Line 5 plus Line 10)</b>	<b>\$1,147.20</b>	<b>\$2,392.00</b>
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<b>Transportation out of storage</b>			
12	Total Mileage from "Origin to SIT" and from "SIT to Final Destination."	200	200
13	Mileage Rates - per pound (Tariff 15-C, Item 200)	\$0.1553	\$0.3236
14	Total Transportation Charge (multiply Line 13 times Line 1).	\$1,242.40	\$2,588.80
15	Warehouse Handling "Out" - rate per 100 pounds (Tariff 15-C, Item 100 3(b)).	\$0.89	\$1.86
16	Warehouse Handling "Out" Charge (multiply Line 15 times Line 2).	\$71.20	\$148.80
17	TOTAL Transportation Charge plus Warehouse "Out" Charge (Line 14 plus Line 16).	\$1,313.60	\$2,737.60

<b>18</b>	<b>TOTAL Customer Owes Upon Delivery at the Final Destination (Line 17 minus Line 5).</b>	<b>\$316.00</b>	<b>\$658.40</b>
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