

FILE

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November 18, 2015

Chairman Andre Porter
Public Utilities Commission of Ohio
180 East Broad St.
Columbus, Ohio 43215
Att: Scott Farkas, Attorney Examiner

PUCO

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Chairman Porter,

On behalf of the Ohio Association of Movers (OAM) I would like to provide comments pertaining to Ohio Administrative Code (OAC) Chapter 4901:2-19, which regulates the transportation of household goods. The Ohio Association of Movers is an organization of state-regulated relocation professionals dedicated to maintaining the highest ethical standards and business practices throughout the State of Ohio. Transportation companies in Ohio are considered public utilities and therefore fall under the jurisdiction of the Public Utilities Commission of Ohio (PUCO). As a voice for many moving companies throughout Ohio, OAM has a close working relationship with the Commission and provides suggestions when the Commission considers changes that will impact the industry. I hope the Commission will take our comments into consideration as it reviews OAC Chapter 4901:2-19.

All moving companies in Ohio are responsible for the value of the goods transported. As a result, companies must have cargo insurance in an amount equal to the declared value of a customer's shipment. Moving companies have the option of providing customers with one of three levels of reimbursement for lost or damaged goods. These three levels of coverage are established in OAC Chapter 4901:2-19 and are as follows:

- 1) Minimal reimbursement: a customer is reimbursed 60 cents per pound for anything lost or damaged during the move.
- 2) Depreciated value: a customer is reimbursed the current value of the goods that were declared or \$2.25 per pound, whichever is greater.
- 3) Replacement value: a customer is reimbursed up to the replacement value declared for anything lost or damaged.

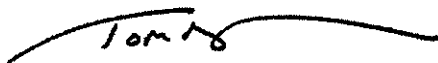
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Typically, a customer indicates on the estimate the level of coverage he or she would like and pays the appropriate premium for coverage above the minimal coverage. However, if the customer does not select an option, the moving company is required to provide the customer with the full replacement value option with no premium collected. It should be of no surprise that this is the most expensive option for moving companies as it requires them to assume all the risk. While in most situations a customer indicates the option of coverage he or she would prefer, there are cases where the customer either overlooks, or refuses to make a selection while contemplating their options. In these circumstances it is not fair to the moving company to force it to offer the most expensive coverage option with no premium paid by the consumer. The language, as currently written, forces Ohio's small moving companies to assume the highest level of risk without any remuneration for assuming that risk. The consumer is basically getting a free ride by not properly completing their paperwork at the cost of the Ohio mover.

While the OAM is not opposed to offering coverage for those customers who neglect to indicate the type of coverage option they prefer, we would ask that the OAC language be change to provide moving companies with additional flexibility. Instead, of forcing a moving business to provide the most expensive coverage option for free, we believe in cases where a customer does not indicate the type of coverage, the moving company should only be required to offer the customer with the minimal reimbursement amount. This change will ensure that the customer still has the protection of cargo insurance, yet would not be as burdensome on the business.

I appreciate the opportunity to provide comments on this issue and urge the Commission to take OAM's suggestions into consideration as it reviews OAC Chapter 4901:2-19. I look forward to working with the Commission in the future and encourage anyone at the PUCO to contact me should they have any questions.

Sincerely,

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

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