Mr. Schalles: I would like to take this opportunity to specifically address IRRC's Regulatory Analysis Form which the PUC completed.

Item 7. No mention is made of disregarding domiciliary requirement which the industry has asked for emphatically and often.

Item 12. The PUC's response is categorically untrue. You asked it how the regulation compares with those of other states. The PUC responds that it reflects the current regulatory environment in a variety of states including NJ, OH, MD & NY, as well as interstate regulation under the FMCSA.

First, it does not compare with those other states since most or all of those states do not grant licensure to businesses which are not domiciled in their state. Yet the PUC elects to do exactly the opposite by disregarding our industry's request that domiciliary requirement be in place.

Second, the reference to FMCSA is a moot point to be disregarded. You did not ask the PUC about comparison with the Federal government.

Third, the regulation will affect PA's ability to compete with other states since those other-thandomiciled businesses will be granted licensure to operate in PA. Our industry will have to compete with them while we will not have the opportunity to do business in their state.

Fourth, there is the matter of jobs. When a company from a neighboring state comes into PA to perform moving services they will, in most instances, bring a full crew. It simply does not make sense to abandon PA workers in this manner. Not only do PA workers lose earning opportunity the Treasury of the Commonwealth also loses revenue!

Finally, the PUC states that 'currently no domiciliary requirement exists in PA.' Because none exists is not justification for permitting the status quo. It needs to change. Our industry has in large part accepted the proposed changes that the PUC is promulgating. The decades of protection are going to end. However, we do not accept an unlevel playing field vis-à-vis neighboring states as this new chapter begins.

Sincerely,

Bob Shively, President McNaughton Bros. Inc. P.O. Box 57 140 Old Route 119 Hwy. South Indiana, PA 15701

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