

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In Re Petition of

SHUTTLE EXPRESS, INC.,

For Exemption From WAC 480-30-213 and WAC 480-30-456,
Pursuant To
WAC 480-07-110

DOCKET TC-160819

DECLARATION OF WESLEY
MARKS IN SUPPORT OF
PETITION FOR LIMITED
EXEMPTION

1 I, Wesley Marks, am the Accounting Manager of Petitioner Shuttle Express, Inc. (“Shuttle
Express” or “Petitioner”). I make this declaration based on personal knowledge and my
experience working with Shuttle Express for roughly five (5) years.

2 I have reviewed the Petition and can generally attest to the truth of the factual statements
contained in the Petition.

3 Several companies, such as Uber, Lyft, and Wingz have begun to operate their shared-ride
service into and out of SeaTac International Airport (“SeaTac”) in recent months, directly
competing with the regulated share-ride auto transportation model that we are certificated to
provide. These services offer both private as well as multi-passenger service between
SeaTac and points requested in Washington State. On its face, the services offered are
comparable to what Shuttle Express offers the public, but is performed with independent
drivers and their personally owned private vehicles. Uber currently offers “UberPool” and
“AirportPool”, services intended to group unrelated passengers travelling to and from
SeaTac. Details of UberPool to and from the airport can be found on Uber’s website, for
example here: <https://newsroom.uber.com/us-washington/uberpool-faq/> and here:
<https://newsroom.uber.com/us-washington/uberx-and-uberpool-at-sea-tac/>.

5 After the announcement by the Port of Seattle (“POS”) that Transportation Network Companies (“TNC”) would be allowed to operate at SeaTac airport, Shuttle Express began researching what the expectations of service would be. Following the commencement of operations, Shuttle Express requested a public records request for the executed contracts between the POS and the three TNC operators. The released contracts indicated that the POS included a green initiative, incentivizing through reduced trip fees the TNC’s to operate multi-reservation services. Reading the contracts, it was clear that the TNC’s and the POS intended to encourage and financially reward operating a shared-ride service using independent drivers with personally owned vehicles.

6 On Sunday, April 10, 2016, I requested an UberPool ride to verify my concerns that the services being offered were similar to what Shuttle Express is certificated for. For my trip, I requested a transfer from SeaTac to the Red Lion Hotel Bellevue. Upon requesting the ride, the Uber application offered me either a private ride or a shared-ride for a discounted price of \$23.59. I accepted the shared-ride, and was quickly matched with both another rider going to a similar area as well as a driver who was dispatched to pick us both up. The ride was initiated and completed as expected, with the vehicle being shared by another person and me, both being picked up at SeaTac and dropped off in the greater Bellevue area, but at different locations. If Shuttle Express were allowed to provide such rides using independent contractors and one of their town cars, the charge under our current tariff would have been \$19.00.

7 Attached as Exhibit A are screenshots I saved from my cell phone that show the solicitation offer of the ride, price quote, and other aspects of the trip and transaction. Attached as

Exhibit B is a copy of my receipt for the UberPool ride. To protect personal information that does not need to be considered by the Commission, the name of the other rider and my personal email address and credit card information are not included the exhibits.

8 Shuttle Express continually works with multiple software vendors to provide better options and experiences for the public. We hope to begin working on a method to reduce the lead time required to book travel to and from SeaTac airport, but due to the restrictions on how our resources can be used we must remain very cautious and ensure that we can support the existing services booked with the required employees and company owned vehicles as required by Commission rules. Allowing additional resources would assist us in reducing our booking lead time, as well as providing the best resources at our disposal for the public that requests transportation. During our previous 30 day waiver, the response from the passengers who were serviced by non-employees was very positive, but the uncertainties of the continuing approval as well as the exhaustive reporting requirements were discouraging to us to continue at that time.

9 In order to be able to compete effectively with Uber, Wingz, and Lyft, Shuttle Express seeks to use its independent contractors and vehicles in addition to its employee drivers and company owned vehicles to supplement and increase the service level and experience of the travelling public. All of our independent contractors own licensed, registered, and state inspected sedans, SUV's, and limousines licensed to perform limousine service in Washington State. By allowing our independent contractors to supplement our existing service, we could further reduce our customer's wait times, provide a more luxurious experience, and offer much smaller groupings of passengers than we currently must do to provide efficiently routed van service. In areas where the density of travelers is lower, this additional opportunity to serve the public will benefit all involved.

- 10 If the commission grants this waiver request, Shuttle Express will be more able to competitively price its services to areas that do not currently have the density to support reduced pricing. Utilizing the Commission’s flexible fare rules, Shuttle Express could reduce its flat-rate pricing in areas with lower demand by utilizing independent contractors who can perform the services for a lower rate than would be required to support the expenses of an employee and company owned vehicle. Currently, these drivers often are operating in parallel to our employee drivers in certain areas where we could reduce vehicle usage, increase employee efficiency, reduce our overall vehicle emissions and congestion, and promote reduced prices by sending only a single vehicle to the area instead of two or more. With the largest shared-ride operating area of the greater Seattle certificated operators, Shuttle Express could better offer competitive and reduced pricing to the public in otherwise underserved and high cost of service areas.
- 11 The independent contractors we use are all subject to background checks, vehicle and driver inspections, random drug tests, and strict contractual obligations. In addition to the Washington State Patrol inspections, we do our own inspections and secret shopping of the contractors’ vehicles. Our inspections and oversight go beyond what the Washington State Patrol, Department of Licensing, and Commission do.
- 12 In the course of business, Shuttle Express regularly utilizes electronic devices to transmit specific passenger information directly related to the requirements of the service being provided. Our employee drivers receive the name, address, telephone number, and flight information of the guests they service. Our drivers are under strict requirements to safeguard the information they’re provided, and are only authorized to use it in the course of providing the service. Further, we currently only allow limousine drivers to use customer

DECLARATION OF WESLEY MARKS - 4

information provided for limousine service in the course of providing that service. Any waiver authorized would include the same confidentiality requirements and safeguards for information that our employees are obligated to. At no time is information provided to employees or contractors for bookings they're not intending to service when it is sent, and any changes or non-completed reservations are removed from the devices immediately upon our dispatchers updating or removing the assignment.

I declare under penalty of perjury under the laws of the State of Washington that the statements in this declaration are true and correct to the best of my knowledge, information, and belief.

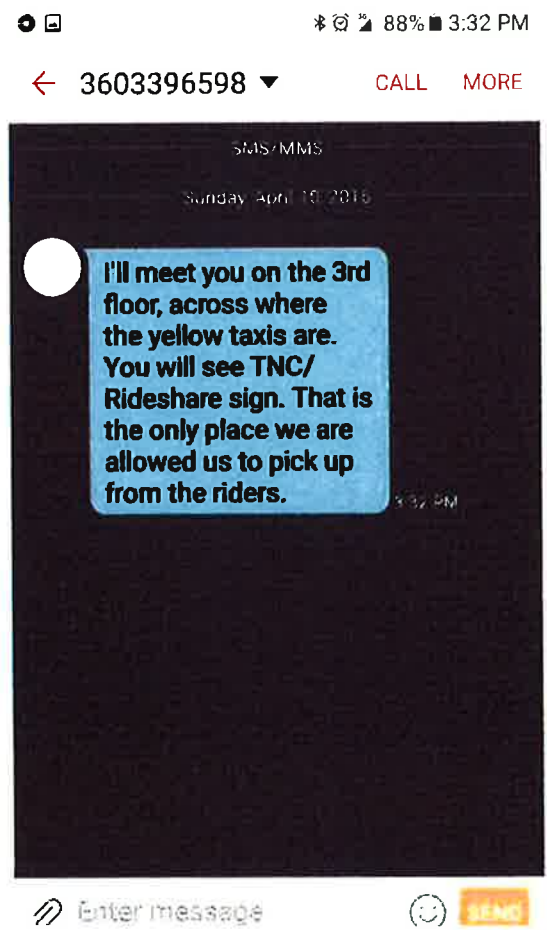
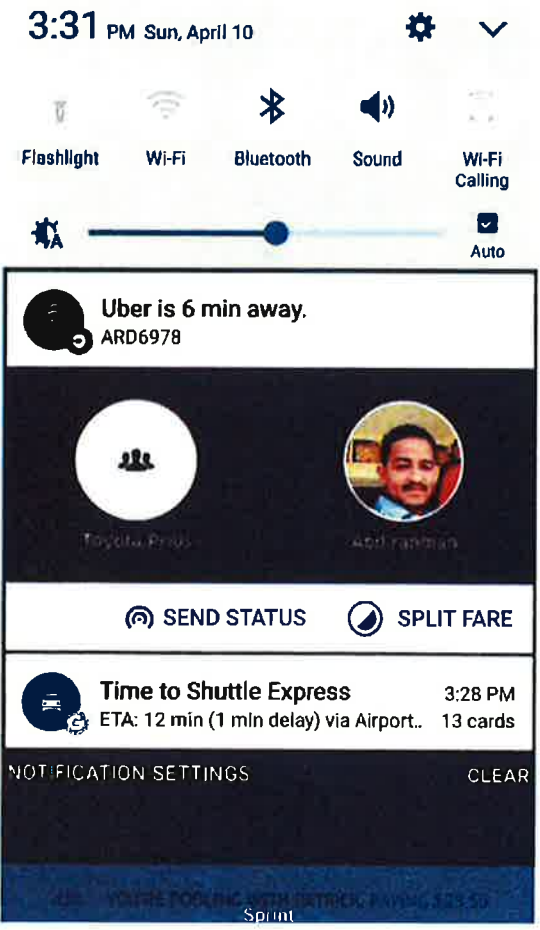
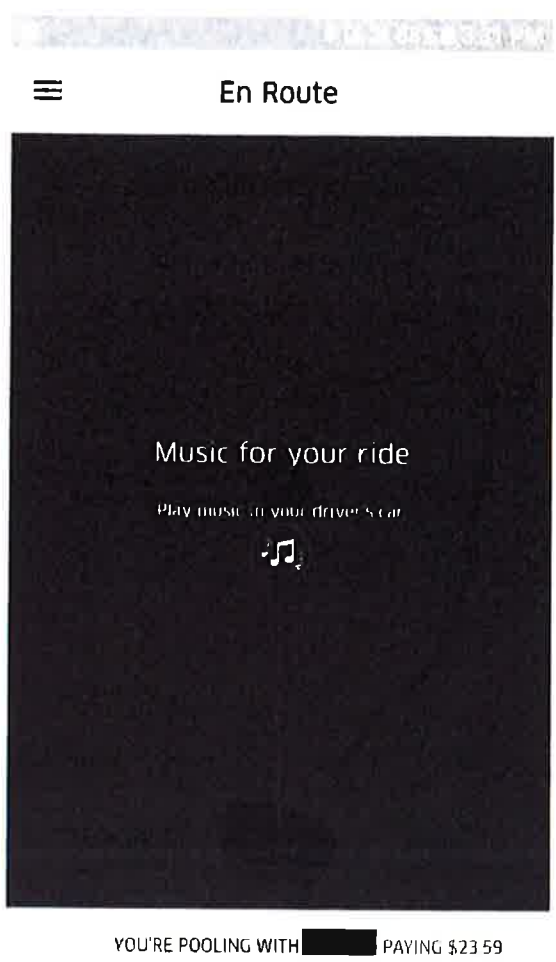
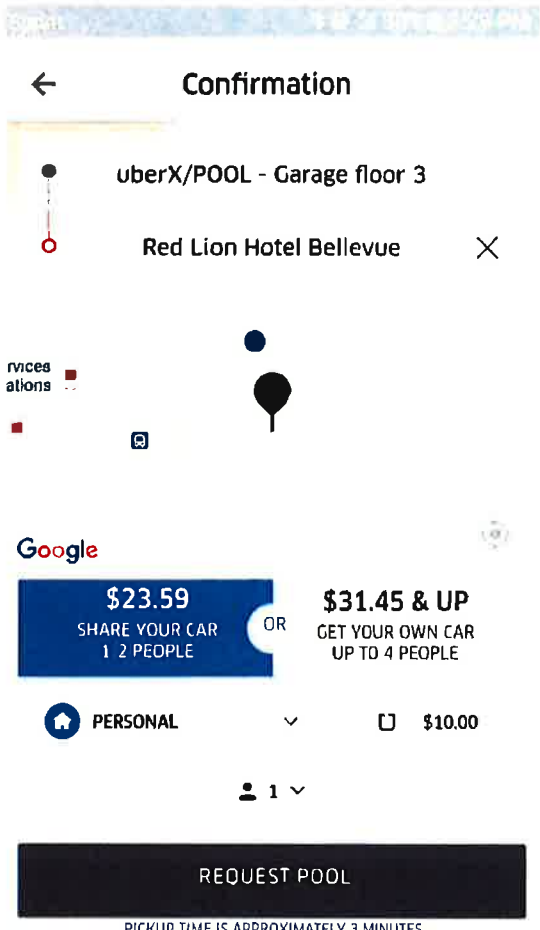
Executed at Renton, Washington, this 20th day of June, 2016.



Wesley Marks

6-20-16

EXHIBIT A



3:36 PM Sun, April 10



Flashlight Wi-Fi Bluetooth Vibrate Wi-Fi Calling

Auto

Uber
Your Uber is arriving now. Your driver will wait 2 min before leaving. Enjoy the ride!

You're on your way
Abdirahman · ARD6978

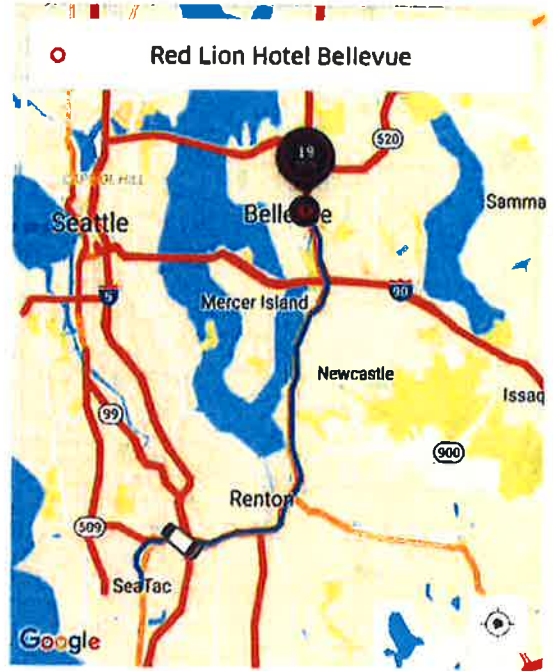
Time to Shuttle Express 3:28 PM
ETA: 12 min (1 min delay) via Airport.. 13 cards

NOTIFICATION SETTINGS CLEAR



82% 3:39 PM

On Trip



ABDIRAHMAN 4.9 ★

YOU'RE POOLING WITH [REDACTED] PAYING \$23.59

80% 3:42 PM



4.9 ★
ABDIRAHMAN



ARD6978
TOYOTA PRIUS

CONTACT

YOU'RE POOLING WITH [REDACTED] PAYING \$23.59

Loading Music

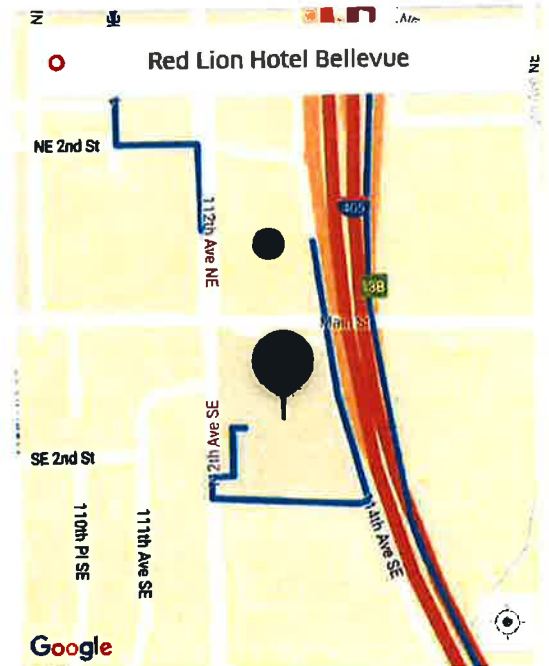
PERSONAL

SEND STATUS

CANCEL

74% 3:51 PM

On Trip

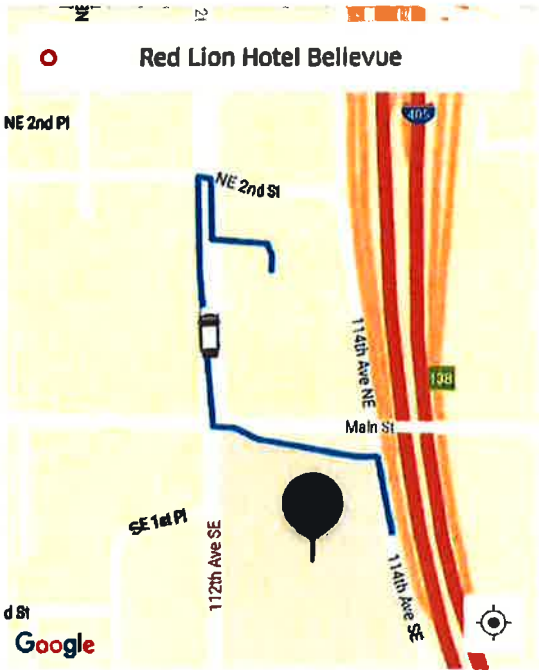


ABDIRAHMAN 4.9 ★

YOU'RE POOLING WITH [REDACTED] PAYING \$23.59



On Trip



ABDIRAHMAN 4.9 ★

LOOKING FOR ANOTHER RIDER, PAYING \$23.59



Flashlight Wi-Fi Bluetooth Vibrate Wi-Fi Calling

Auto

Your fare was \$23.59 3:58 PM
 Sun at 3:58PM • Credits Used: \$0.00



★ **RATE ABDIRAHMAN**



57° in Renton
Cloudy

3:51 PM
12 cards

NOTIFICATION SETTINGS

CLEAR



Exhibit B

----- Forwarded message -----

From: Uber Receipts <receipts.seattle@uber.com>

Date: Sun, Apr 10, 2016 at 3:58 PM

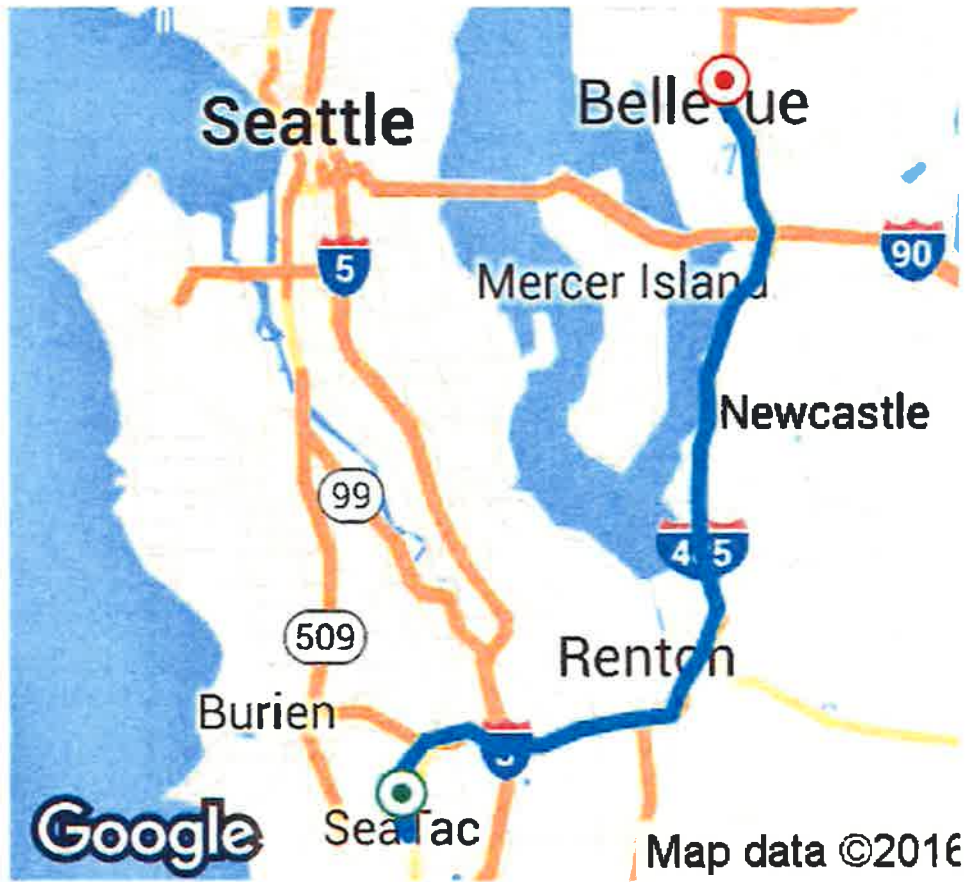
Subject: [Personal] Your Sunday afternoon trip with Uber

To: [REDACTED]

APRIL 10, 2016

\$23.59

Thanks for choosing Uber. [REDACTED]



FARE BREAKDOWN

Trip fare	23.59
Subtotal	\$23.59
CHARGED Personal ****	\$23.59

You saved \$7.86 by riding uberPOOL

[share your savings](#)

Have comments about your airport experience? [Click here](#)

03:35pm
17 Arrivals Dr, SeaTac, WA



03:58pm
97-221 114th Ave SE, Bellevue, WA



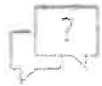
POOL Airport

9.33

00:22:39



You rode with Abdirahman



Need help?

[Track it down.](#)

[contact us](#)



Free Rides

Share code: XXXXXXXXXX

Free