BEFORE THE WASHINGTON

**UTILITIES AND TRANSPORTATION COMMISSION**

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| In re Application of  BREMERTON-KITSAP AIRPORTER, INC. dba Ft. Lewis/McChord Airporter, The Sound Connection  for Flexible Ancillary Charge or Fee  . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | ) ) ) ) ) )  )  )  ) | DOCKET TC-131961  ORDER 02  ORDER APPROVING FLEXIBLE ANCILLARY CHARGE OR FEE |

## BACKGROUND

1. On August 21, 2013, the Washington Utilities and Transportation Commission (Commission) adopted and amended rules in WAC 480-30 relating to passenger transportation companies in Docket TC-121328. The rules became effective on September 21, 2013.
2. One of the new rules, WAC 480-30-420, Fare Flexibility, allows an auto transportation company to offer flexible fares for regulated services. The rule change allows a company operating under a flexible fare tariff to charge any fare up to a maximum fare, calculated as 25 percent over the published or base fare in the Company’s tariff prior to Commission approval of the flexible fares.
3. On October 15, 2013, the Commission issued a letter to the auto transportation industry stating WAC 480-30-420, Fare Flexibility, allows an auto transportation company to file a flexible tariff for ancillary charges or fees that includes maximum charges or fees, calculated as 25 percent over the published ancillary charge or fee in the Company’s tariff. An ancillary charge or fee is any charge in a company’s tariff except for the actual fare for the transportation of a person. Examples of ancillary charges or fees include, but are not limited to the following: processing fee, refund fee, baggage charges, cancellation fee, reservation fee or administrative fee, etc.

1. On October 18, 2013, Bremerton-Kitsap Airporter, Inc., d/b/a Ft. Lewis/McChord Airporter, The Sound Connection (Bremerton-Kitsap or Company) filed with the Commission revisions to the Company’s currently effective Tariff No. 10 requesting to implement flexibility for its refund fee and baggage charge. The requested effective date for Tariff No. 10 is November 19, 2013.
2. Commission Staff reviewed the filing and agrees that the proposed revised tariff sheets accurately depict the Company’s published refund fee and baggage charge and implements the allowable 25 percent maximum refund fee and baggage charge under WAC 480-30-420. Staff recommends that the Commission approve the flexible refund fee and baggage charge in Tariff No. 10 for Bremerton-Kitsap and allow the revised tariff sheets filed on November 6, 2013, to become effective on November 19, 2013, as requested.

**DISCUSSION**

1. The Commission agrees that Bremerton-Kitsap has demonstrated that its proposed flexible refund fee and baggage charge in Tariff No. 10 complies with WAC 480-30-420. The maximum refund fee and baggage charge do not exceed 25 percent of currently approved and published amounts. Under our new auto transportation company rules, no further review is required.
2. By approving a flexible refund fee and baggage charge in Tariff No. 10 for Bremerton-Kitsap, the Commission is not approving or establishing any specific fee or charge. Our approval empowers Bremerton-Kitsap to charge varying refund fees and baggage charges as determined by actual market conditions. We are granting the Company discretion to charge any refund fee and baggage charge it deems appropriate, up to the established maximum. Thus the Company, not the Commission, will establish the specific refund fee and baggage charge for its customers.
3. The Commission will monitor the implementation of the flexible refund fee and baggage charge to ensure that Bremerton-Kitsap is providing service to the satisfaction of the Commission. We remain sensitive to the needs of auto transportation customers and trust that implementation of flexible tariffs will continue to provide fair, just, and reasonable rates for them.

# FINDINGS AND CONCLUSIONS

1. (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, regulations, and practices of public service companies, including auto transportation companies.
2. (2) Bremerton-Kitsap is an auto transportation company and a public service company subject to Commission jurisdiction.
3. (3) On October 18, 2013, and revised on November 6, 2013, Bremerton-Kitsap filed a flexible refund fee and baggage charge in its Tariff No. 10.
4. (4) This matter came before the Commission at its regularly scheduled meeting on November 15, 2013.
5. (5) Bremerton-Kitsap has demonstrated that its proposed maximum refund fee and baggage charge do not exceed 25 percent of its currently published tariff.

## ORDER

**THE COMMISSION ORDERS:**

1. (1) The tariff revisions Bremerton-Kitsap Airporter, Inc., filed in this docket on October 8, 2013, and revised on November 6, 2013, shall become effective on November 19, 2013.
2. (2) In providing notice to consumers or in its advertising, Bremerton-Kitsap Airporter, Inc., shall not state or imply that the Commission approved or established any specific refund fee or baggage charge.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington on November 15, 2013, and effective November 19, 2013.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary