

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In re Application of)	DOCKET TC-132128
)	
PACIFIC NORTHWEST)	ORDER 01
TRANSPORTATION SERVICES,)	
INC., d/b/a Capital Aeroporter Airport)	
Shuttle)	ORDER APPROVING FLEXIBLE
)	FARE TARIFF ON LESS THAN
for a Flexible Fare Tariff)	STATUTORY NOTICE
.....)	

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 November 19, 2013, Pacific Northwest Transportation Services, Inc., d/b/a Capital Aeroporter Airport Shuttle (Capital Aeroporter or Company) filed a petition for Less than Statutory Notice (LSN) with the Commission requesting to revise the Company's Tariff No. 4 to implement fare flexibility. The Company states justification for LSN treatment as follows: the Company's last general rate case was approved in 2006, the company's expenses now exceed revenue, the summer peak revenue reserves to cover winter expenses are now depleted, the November 1-15 reservations are \$10,000 less than last year, immediate revenue relief is necessary to meet expenses or immediate service reductions will be necessary, statutory minimum wage and payroll taxes increase on January 1, 2014.

- 4 Commission Staff reviewed the filing and agrees that the proposed tariff sheets accurately depict the Company's established base fares and allowable maximum fares under WAC 480-30-420. Staff recommends that the Commission approve the LSN request to implement a flexible fare tariff for Capital Aeroporter and allow the tariff sheets filed on November 19, 2013, to become effective on November 29, 2013, as requested.

DISCUSSION

- 5 The Commission agrees that Capital Aeroporter has demonstrated that its proposed flexible fare tariff complies with WAC 480-30-420. The maximum fares listed do not exceed 25 percent of currently approved and published fares. Under our new auto transportation company rules, no further review is required.¹
- 6 By approving a flexible fare tariff for Capital Aeroporter, the Commission is not approving or establishing any specific fare. Our approval empowers Capital Aeroporter to charge varying fares as determined by actual market conditions. We are granting the Company discretion to charge any fare it deems appropriate, up to the maximum fare. Thus the Company, not the Commission, will establish the specific fares charged to customers.
- 7 The Commission will monitor the implementation of this flexible fare tariff to ensure that Capital Aeroporter 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 fare tariffs will continue to provide fair, just, and reasonable rates for them.

FINDINGS AND CONCLUSIONS

- 8 (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.
- 9 (2) Capital Aeroporter is an auto transportation company and a public service company subject to Commission jurisdiction.

¹ Companies authorized to charge flexible fares must use the fares to recover all costs associated with providing passenger service, including, but not limited to, fuel costs, tolls, ferry fares, surcharges, and taxes. Any fuel surcharge in effect at the time a company is authorized to charge flexible fares will be canceled and is not included in the base fare. See WAC 480-30-420(4) and (11). The Company has a fuel surcharge in effect that will expire on November 28, 2013, prior to the effective date of its new flexible rate tariff.

- 10 (3) On November 19, 2013, Capital Aeroporter filed a request to implement a flexible
fare tariff effective November 29, 2013, on Less than Statutory Notice. The Less
than Statutory Notice request should be granted.
- 11 (4) This matter came before the Commission at its regularly scheduled meeting on
November 27, 2013.
- 12 (5) Capital Aeroporter has demonstrated that its proposed maximum fares do not
exceed 25 percent of its base fares.

ORDER

THE COMMISSION ORDERS:

- 13 (1) The tariff revisions Pacific Northwest Transportation Services, Inc., filed in this
docket on November 19, 2013, shall become effective on November 29, 2013, on
Less than Statutory Notice.
- 14 (2) In providing notice to consumers or in its advertising, Pacific Northwest
Transportation Services, Inc., shall not state or imply that the Commission
approved or established any specific fare.

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 27, 2013, and effective November 29,
2013.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary