# BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In re Application of

**DOCKET TC-160280** 

CWA, INC. dba AIRPORTER SHUTTLE

ORDER 01

for a Flexible Fare Tariff

ORDER APROVING FLEXIBLE FARE TARIFF

#### **BACKGROUND**

- 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.
- 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.
- On March 4, 2016, CWA, Inc. dba Airporter Shuttle (CWA or Company) filed revisions to Tariff No. 1 requesting to implement fare flexibility. CWA proposed to implement flexible rates for all of its routes and services. The requested effective date for Tariff No. 1 is April 5, 2016.
- The Company filed revised tariff pages on March 15, 2016, illustrating its base and maximum fares.
- Commission staff reviewed the filing and agrees that the revised 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 a flexible fare tariff for CWA and allow the tariff revisions filed on March 4, 2016, as revised on March 15, 2016, to become effective on April 5, 2016, as requested.

#### DISCUSSION

The Commission agrees that CWA 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 the Commission's auto transportation flexible fare rules, no further review is required.<sup>1</sup>

- By approving a flexible fare tariff for CWA, the Commission is not approving or establishing any specific fare. Commission approval empowers CWA 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.
- Commission staff will monitor the implementation of this flexible fare tariff to ensure that CWA 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.

### FINDINGS AND CONCLUSIONS

- 9 (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.
- 10 (2) CWA, Inc. dba Airporter Shuttle is an auto transportation company and a public service company subject to Commission jurisdiction.
- On March 4, 2016, CWA, Inc. dba Airporter Shuttle, filed a flexible fare tariff, and filed revised pages on March 15, 2016.
- 12 (4) This matter came before the Commission at its regularly scheduled meeting on March 24, 2016.
- 13 (5) CWA, Inc. dba Airporter Shuttle, has demonstrated that its proposed maximum fares do not exceed 25 percent of its base fares.

<sup>1</sup> 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).

## **ORDER**

#### THE COMMISSION ORDERS:

- 14 (1) The tariff revisions CWA, Inc. dba Airporter Shuttle, filed in this docket on March 4, 2016, as revised on March 15, 2016, shall become effective on April 5, 2016.
- In providing notice to consumers or in its advertising, CWA, Inc. dba Airporter Shuttle, shall not state or imply that the Commission approved or established any specific fare.

DATED at Olympia, Washington, and effective March 24, 2016.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary