

Agenda Date: June 29, 2023
Item Number: B5

Docket: TC-230404
Company Name: Beeline Tours Ltd, d/b/a Seattle Express

Staff: Tiffany Van Meter, Regulatory Analyst
Andrew Roberts, Consumer Protection Staff

Recommendation

Allow revised tariff pages, filed on May 30, 2023, as revised on June 21, 2023, to go into effect July 1, 2023, by operation of law.

Discussion

On May 30, 2023, Beeline Tours Ltd, d/b/a Seattle Express (Seattle Express or Company), filed replacement pages to Tariff No. 5 with the Utilities and Transportation Commission (Commission) that would generate approximately \$546,000 (45 percent) additional annual revenue. The proposed increase is prompted by increased administrative costs, taxes, repair and fuel costs, and labor costs, which include the Seattle area \$18.69 minimum wage effective January 1, 2023. Seattle Express provides scheduled auto transportation service for passengers between Various Hotels in Renton, SeaTac, Tukwila, SeaTac Airport, and the Cruise Terminals in downtown Seattle. The Company has not had a general rate increase since purchasing Miller Schmere, Inc., in 2016.

Background

On December 9, 2015, Seattle Express implemented flexible fares to allow the Company to sell tickets between a minimum of its then base fare and 25 percent higher than its base fare. Flexible fares allow a company to increase its maximum fare by 5 percent yearly to become effective no earlier than May 1 of each year. Following the adoption of flexible fares, the Company requested to increase its max fares only one time. In March of 2022, the Company filed a request with the Commission to increase its max fares by 5 percent, which became effective on May 1, 2022. The increase has been insufficient to recover all increased expenses the Company has experienced over the previous seven years.

Commission staff's (Staff) review of the increase found the proposed rates would result in excessive revenue and made adjustments to remove employee meals and travel expenses, and disallow a few minor overhead expenses.

The Company and staff have agreed on a revised revenue requirement of approximately \$526,000 (43 percent) additional annual revenue, and on revised rates which are fair, just, reasonable, and sufficient. On June 21, 2023, the Company filed revised rates at staff recommended levels.

Rate Comparison

Service Between		Current Base Rate	Propose Base Rate	Revised Base Rate	Current Max Rate	Proposed Max Rate	Revised Max Rate	
Cruise Piers 66 or 91 ONE WAY	Cities of SeaTac, Tukwilla and Renton All Hotels	\$9.00	\$17.40	\$17.20	\$11.81	\$21.80	\$21.50	
	SeaTac Airport		\$36.20	\$35.80		\$45.30	\$44.80	
Cruise Piers 66 or 91 ROUND TRIP	Cities of SeaTac, Tukwilla and Renton All Hotels	\$14.00	\$36.20	\$35.80	\$18.38	\$45.30	\$44.80	
	SeaTac Airport		\$65.20	\$64.50		\$81.50	\$80.60	
From	Stops at	To	Current Base Rate	Proposed Base Rate	Revised Base Rate	Current Max Rate	Proposed Max Rate	Revised Max Rate
Hotels in SeaTac and Tukwilla	Cruise Terminal 66 or 91	SeaTac Airport						
Single Fare Ticket*			\$25.00	\$36.20	\$35.80	\$31.50	\$45.30	\$44.80

*Single Fare Ticket is one ticket, charged as a single fare, for the transportation of a passenger from Sea-Tac and Tukwila hotels to cruise terminal 66 or 91 and then from the cruise terminal 66 or 91 to SeaTac International Airport.

Customer Comments

On May 30, 2023, Seattle Express notified customers of the increase in fares and how to make comment to the Commission. No customer comments were received.

Conclusion

Allow revised tariff pages, filed on May 30, 2023, as revised on June 21, 2023, to go into effect July 1, 2023, by operation of law.