

Agenda Date: October 24, 2001
Item Number: 3A

Docket: TC-011119
Company Name: Genie Service Company, Inc., C-1033

Staff: Bob Colbo, Transportation Program Staff
Cathie Anderson, Policy Research Specialist 2

Recommendation:

Dismiss the Complaint and Order suspending tariff revisions, and allow revised rates for Genie Service Co. (Genie), C-1033, to become effective October 25, 2001. Also require separated financial operating results in the future for regulated operations, and grant the temporary discontinuance of service to Clarkston, Pullman, and Sunnyside, with conditions.

Discussion:

On August 8, 2001, Genie proposed new Tariff No. 3, canceling and replacing Tariff No. 2 and naming increased passenger fares from points in eastern Washington to Seattle. The increases ranged from 28.5 percent to 75 percent. The company also proposed to discontinue service to Clarkston, Pullman, and Sunnyside. The filing was suspended by the Commission at its Open Meeting of August 29, 2001, because of insufficient supporting detail.

Genie has operated this company since it acquired the permit from the prior owners in January, 2000. This is their first rate application, and they are unfamiliar with Commission policies and procedures. The regulated portion of their total company bus operations amount to about 25 percent of the total. The bulk of their operations involve unregulated charter and tour services. They have also recently lost their first year, start-up grant from the Department of Transportation. This is the major reason for their current financial difficulties, and why they are seeking to discontinue the routes named above. The Staff has been working with the company since August, 2001, to obtain the necessary financial information to make a determination as to the merits of both proposals. The attached estimated income statement shows the result of that process. Staff believes it to be a reasonable basis for the 20 percent recommendation for revised rates, although clearly more detailed, reliable information will be required in the future. The current adult one-way fare between Tri-Cities and Seattle is \$35.00; the original proposal would have increased that to \$45.00. The revised amount will be \$42.00.

Conclusion:

It is therefore recommended that the Commission dismiss the Complaint and Order suspending tariff revisions, lift the suspension, and allow revised rates for Genie Service

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Company, Inc., C-1033, to become effective October 25, 2001. Also require separated financial operating results in the future for regulated operations, and grant a temporary discontinuance of passenger service for six months to Clarkston, Pullman, and Sunnyside. Should an immediate and emergent need arise for such passenger service, Genie must be prepared to resume service to meet those needs. Genie may also apply for an extension to this temporary discontinuance of service, but must do so at least 30 days prior to its expiration.

Attachment