

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In re Application of	)	DOCKET TC-141405
	)	
NORTHWEST SMOKING & CURING, INC., dba SeaTac Direct	)	ORDER 01
	)	
for a Flexible Fare Tariff	)	ORDER APPROVING FLEXIBLE FARE TARIFF
.....	)	
.	)	

**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 July 10, 2014, Northwest Smoking & Curing, Inc., dba SeaTac Direct (SeaTac Direct or Company) filed with the Commission revisions to the Company’s currently effective Tariff No. 1 requesting to implement fare flexibility. SeaTac Direct proposed to implement flexible rates for all of its routes and services. The requested effective date for Tariff No. 1 is August 15, 2014.

4 Commission Staff reviewed the filing and agrees that the 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 SeaTac Direct and allow the proposed tariff sheets filed on July 10, 2014, to become effective on August 15, 2014, as requested.

**DISCUSSION**

5 The Commission agrees that SeaTac Direct 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.<sup>1</sup>

6 By approving a flexible fare tariff for SeaTac Direct, the Commission is not approving or establishing any specific fare. Our approval empowers SeaTac Direct 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 SeaTac Direct 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) SeaTac Direct is an auto transportation company and a public service company subject to Commission jurisdiction.

10 (3) On July 10, 2014, SeaTac Direct filed a flexible fare tariff.

11 (4) This matter came before the Commission at its regularly scheduled meeting on August 14, 2014.

12 (5) SeaTac Direct has demonstrated that its proposed maximum fares do not exceed 25 percent of its base fares.

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<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:**

- 13 (1) The revised tariff revisions Northwest Smoking & Curing, Inc., dba SeaTac Direct filed in this docket on July 10, 2014, shall become effective on August 15, 2014.
- 14 (2) In providing notice to consumers or in its advertising, Northwest Smoking & Curing, Inc., dba SeaTac Direct 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, and effective August 14, 2014.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary