

BREMERTON-KITSAP AIRPORTER, INC.

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www.kitsapairporter.com

**RECEIVED**  
**RECORDS MANAGEMENT**  
**NOV 19 2019**  
**STATE OF WASH.**  
**UTIL. & TRANSP. COMMISSION**

November 12, 2019

Utilities and Transportation Commission  
P.O. Box 47250  
Olympia, WA 98504-7250

Re: Docket TC-190898

In accordance with UTC letter dated November 7, 2019 the following comments are submitted regarding changes made to Chapter 480-30 WAC.

Comments pertaining to Docket TC-190898 by Richard E. Asche, President, Bremerton-Kitsap Airporter, Inc. (C-903) on November 8, 2019.

In years past before the flexible fares were implemented, Auto Transportation Companies were treated as Utility Companies for rate regulation purposes. This meant then, that a fare increase request would not be approved if it resulted in a company's net profit from operations which then exceeded 7% of total revenue. In addition, interest on loan expenses and federal income taxes were not allowable expenses for ratemaking purposes. After repeated urging by operators, the rate formula was changed to the current flexible fares methodology.

1. The amendments have increased opportunities to maintain and expand safe, fair, adequate, dependable and fairly priced auto transportation services to the public. Fare flexibility enabled this company to expand the number of scheduled daily service trips thereby enabling an increased volume of passengers carried. The resulting revenue increase also allowed BKA to meet rising operating costs, purchase new vehicles, and increase employee pay increases and benefits while our fares remained the lowest fares (per mile traveled) in the nation.
2. Tariff changes and compliance with regulations were greatly simplified as audits were no longer necessary in the process of rate changes.
3. Tariff processing times were reduced significantly. Flexible fares are requested on May 1<sup>st</sup> of each year.
4. Generally existing companies are allowed greater flexibility to expand service within their authority. New operators may provide expanded service if a need for such service is in the public interest and to the satisfaction of the UTC.

5. This company has heard no complaints about unreasonable or unfair rates and it is unlikely that they will exist in the future. (See Note 1).
6. The changes and increased service schedule and low fares have indeed increased ridership,

Sincerely,

A handwritten signature in cursive script, appearing to read "Richard E. Asche".

Richard E. Asche  
President  
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