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We would like further clarification on Commissioner Sidran's proposed geographical/competition based banded method of fare calculation. Upon examination it would seem that a wider band in areas of heavy competition with a reduced band in rural areas of lesser competition is the reverse of sound business practice. For example, let us take the case of the Seattle Metropolitan area. It is perceived that there is potentially more competition in that area from Sound Transit, Metro Transit, Light Rail, Taxis, Limos, Rental Cars and private automobiles just to mention a few. Under the suggested method a regulated operator in this territory would have a wider band with regard to fares to operate under. Does this operator need to raise his fares by a wide margin to compete with the other types of transportation? Quite the contrary, if anything he will need to maintain or lower his fares a bit.

In the rural areas the regulated operator may not be dealing with Light Rail, the Sounder and Taxis but is serving areas of limited population. To justify service to these outlying areas he may, due to limited ridership and long transits, need to charge more than those in a higher density area thereby requiring a wider band to address these particular market conditions. If the intent was to provide for the ability to increase fares in the city and the restriction of fares in rural areas, this method would seem admirably suited.

Even in light of this concern we are still able to support the concept if the base band is set at a minimum to provide flexibility to all operators (10%). Almost any change from the current arbitrary, uncodified method is preferable.

We are also concerned that the current iteration of WAC 480-30 does not comply with the Governor's Executive Order # 06-02. We do not wish to revisit this section of the WAC in the near future because it is found to not be in compliance.

With these thoughts in mind we ask the staff the following questions:

How does permitting regulated entities to charge more where competition would dictate otherwise and restricting the flexibility of rural operators serve either the public or the companies?

Please explain in greater detail the rationale for this method and its application.

How do you see the proposed WAC 480-30 complying with Executive Order 06-02 with specific emphasis on simplification; developing and implementation of innovative regulatory best practices and;

“Be Accountable. Agencies that collect taxes or provide permits, licenses, approvals, and other regulatory services will:

- Establish measurable service delivery standards to address issues such as:
 - Turnaround or response times,
 - Professionalism and helpfulness,
 - Consistency,
 - Efficiency and effectiveness, and
 - Overall quality of service outcomes;
- Regularly measure progress;
- Report quarterly through Governor and agency Government Management, Accountability, and Performance (GMAP) review sessions;
- Consider benchmarks from similar agencies or programs;
- Set targets for improvement; and
- Use Plain Talk standards (Executive Order 05-03) for written materials.

and improve overall business conditions in the state”?

We look forward to hearing your answers to these questions well before the advent of the CR-102 expected to be issued in the next few weeks so that we may more clearly understand the commission’s position.

Thank you,

John Solin Mike Lauver

Seatac Shuttle