## BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Seatac Shuttle, LLC. C-1077 : Docket No. TC-160054

Commenter : Comments of Seatac Shuttle, LLC

WAC 480-30-36, -086, -281(2), -456, -461, -466, -

February 22, 2016 471, -476; RCW 81.68.046

SEATAC SHUTTLE, LLC. (Seatac) offers the following comments for the record in the above captioned Docket.

- As a matter of record, Seatac again states its general opposition to the issuance of TEMPORARY CERTIFICATES by the Commission. If an applicant is unable to complete and fulfill the terms of an Application for Permanent Authority to the satisfaction of the Commission it should NOT be on the road carrying the public as paying passengers. The provision of the RCW and WAC permitting these certificates provide in essence non-compliant operators the stamp of approval of the Commission and a false sense of security to the public.
- The financial viability of the applicant is in question. Mr. Young's (UTC) analysis reflects a lack of knowledge of the actual operation of a shuttle company. Ten year old vehicles are not reliable vehicles. Seatac operates a fleet of vehicles that are purchased new and are generally released from service at the four year mark. At any given time an average of two vehicles are being serviced, either for scheduled maintenance, unscheduled maintenance or regulatory inspections. Seatac maintains a fleet that is 100% in excess of capacity requirements in order to ensure that all customer needs are met. No such surplus, demonstrated ability to procure more vehicles or provision for out-of-service vehicles is provided in the application. The \$84.00 per month projected for vehicle maintenance has no connection to reality.
- The revenue forecast is based upon 2350 customers purchasing \$60.00 "punch cards" that entitle the purchaser to eight one-way trips. Applicant further projects a median cost of \$15.00 per trip. The average length (mileage) of the twelve trips listed in the submitted Time Schedule is 5.74 miles. This yields a per mile cost to the customer of \$2.61. If the punch card is only used once, as suggested in the application, then that per mile charge becomes \$10.45. At hearing this company has observed the Commission castigate individual certificated operators for charge rates that amounted to less than \$1.00 per passenger mile, stating that they were overcharging the public.
- The projected wages (dividend and salary) on the pro-forma amounted to \$45,000.00; however there is another entry for "contract labor" of \$43,700.00 which Mr. Young has characterized as "wages" to the exclusion of the \$45,000.00 entry. The issue of contract labor with regard to shuttle operations has been argued before the Commission and resolved, contract drivers must obtain their own certificates and contractors providing other services must meet the

state definition of a contractor. Most importantly, in the analysis no factoring of the additional \$45,000.00 is accounted for.

- According to the documents submitted by the applicant apparently it plans not pay any taxes. The submitted expenses clearly show \$0.00 allocated for taxes in the column so labeled.
- In the staff analysis provided for on 2/3/16 it is stated "This application is for temporary service in an area that had been served by a company no longer doing business, so there is a public need for this service". There are buggy whip companies no longer doing business, is there a public need for a new one? Did the previous company go out of business for lack of customers? Was the previous service needed? The logic behind the staff's statement is without basis or merit.
- The WAC provides clear guidance for the preparation and contents of the required tariff. Even a cursory review finds that the tariff submitted with the application does not meet in any substantive way the requirements of the Commission. This brings into question not only the review and vetting process by commission staff but the veracity of the signed application wherein the applicant states that he is familiar with the OPERATIONAL RESPONSIBILITIES WAC 480-30-251 through 480-30-436.
- 8 From the application provided there is no evidence of application for "limited door-to-door service" as stated by Mr. Young in his analysis.

IN CONCLUSION, while Seatac has no objection to the service applied for as such, we have strong reservations about the process. It is our concern that before starting service a company should be fully compliant with the rules and regulations of the Commission and that the Commission need be more diligent in vetting applicants and determining if they are viable within the real world. Supposition and questionable estimates on a pro-forma do not engender confidence. The public safety should be our paramount concern; it would appear that in its haste to create more operators the process of application has been compromised.