

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND	)	DOCKET TC-112072
TRANSPORTATION COMMISSION,	)	
	)	ORDER 02
Complainant,	)	
	)	
	)	ORDER DISMISSING
v.	)	COMPLAINT AND ORDER
	)	SUSPENDING TARIFF
	)	REVISIONS; ALLOWING
SHUTTLE EXPRESS, INC., C-975,	)	REVISED TARIFF REVISIONS, ON
	)	LESS THAN STATUTORY
	)	NOTICE; GRANTING
Respondent.	)	EXEMPTION FROM RULES
.....	)	

**BACKGROUND**

- 1 On December 2, 2011, Shuttle Express, Inc., C-975 (Shuttle or Company), filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff No. 7, designated as Pages 1, 3, 7 through 14, 17, 19, 21, 23, 25, 27, 29 and 39, with a stated effective date of January 3, 2012. The proposed tariff revisions would generate \$512,180 (4.0 percent) in additional annual revenue. Fares for door-to-door service to and from SeaTac Airport would increase by \$0.75 (2.0 percent) each way. Fares for service between downtown Seattle hotels and SeaTac Airport would increase by 44.0 percent. The Company provides passenger transportation service to and from SeaTac Airport for over 400,000 customers in Pierce, King, Snohomish and Island Counties annually.
  
- 2 The Company filed the proposed rates to recover increased operating costs due to acquisition of several scheduled service runs since its last rate increase became effective in February of 2008. The Company also proposes to change the application of children’s fares from under 12 years of age to less than 18 years of age.
  
- 3 On December 29, 2011, the Commission entered a Complaint and Order Suspending Tariff Revisions pending an investigation to determine whether the revisions are fair, just, reasonable and sufficient.
  
- 4 The Company’s general rate case for regulated operations includes revenues and expenses associated with service provided by non-regulated independent-contractor

owners. The Company considers the service to be regulated door-to-door service, charged the customers the Company's published tariff rate for door-to-door service, and provided service to the customer using a non-regulated owner-operator driver and vehicle, such as a limousine. At this time, Staff does not know if this business practice is appropriate under the Commission's rules and regulations. Staff has requested additional information regarding insurance, which the Company has not yet provided. This matter will require further review.

- 5 Staff analyzed the Company's general rate case both including the independent contractor revenues and expenses, and excluding the independent contractor revenues and expenses. The results were similar. For the purpose of settling the general rate case, the Staff considers the independent contractor revenues and expenses as regulated operations.
- 6 Staff has completed its review of the Company's books and records. Staff's analysis shows that the proposed rates result in excessive revenue. Staff and the Company agreed to revised rates that would generate \$424,429 (3.3 percent) additional annual revenue.
- 7 On March 5, 2012, the Company filed revised tariff pages to lower the increase for service between downtown Seattle hotels and the airport to 29.3 percent, instead of the proposed 44.0 percent. The revenue impact of this adjustment would generate \$117,600 (10.8 percent) in additional annual revenue, instead of the proposed \$232,200 (21.3 percent). The Company also filed revised tariff pages to increase the fares for door-to-door service to the airport by \$1.00 instead of the proposed \$0.75. The revenue impact of this adjustment would generate \$306,800 (2.7 percent) instead of the proposed \$273,338 (2.4 percent).
- 8 The Company requests an exemption from Washington Administrative Code (WAC) 480-30-311, Tariffs and time schedules, to allow the revised rates to become effective on March 9, 2012, on less than statutory notice, and an exemption from WAC 480-30-316, Tariffs and time schedules, customer notice.
- 9 RCW 81.28.050 and WAC 480-30-311 require thirty days' notice to the Commission prior to the effective date of the tariff. The Company requests less than statutory notice as permitted by WAC 480-30-326, so that the tariff revisions become effective on March 9, 2012. The Company requests less than statutory notice because the revised rates result in some increases, as compared to the rates the Company originally proposed.

- 10 WAC 480-30-316 requires auto transportation companies to provide each affected customer a notice at least thirty days before the requested effective date of a proposed rate increase. Granting the Company's request for less than statutory notice also requires an exemption from WAC 480-30-316, regarding notice to customers. For the same reason the Company identified for seeking less than statutory notice, the Company seeks such an exemption from customer notice requirements. The Company originally notified customers of the proposed rates filed on December 5, 2011. Staff does not recommend any additional notice because of the small amount of the increase compared to the fares that the Company originally proposed.
- 11 Staff recommended that the Commission grant the Company's request for an exemption from WAC 480-30-311, Tariffs and time schedules, and allow the revised rates filed March 5, 2012, to become effective on March 9, 2012, on less than statutory notice, and that the Commission grant the Company's request for an exemption from WAC 480-30-316, Tariffs and time schedules, customer notice.

### FINDINGS AND CONCLUSIONS

- 12 (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, rules, regulations, practices, accounts and affiliated interests of public service companies, including auto transportation companies. *RCW 80.01.040, RCW 81.01, RCW 81.04, RCW 81.28, and RCW 81.68.*
- 13 (2) Shuttle Express, Inc., is an auto transportation company and a public service company subject to Commission jurisdiction.
- 14 (3) This matter came before the Commission at its regularly scheduled meeting on March 8, 2012.
- 15 (4) Tariff No. 7, designated as Pages 1, 3, 7 through 14, 17, 19, 21, 23, 25, 27, 29 and 39, as revised on March 5, 2012, are fair, just, reasonable and sufficient because Shuttle Express, Inc., has demonstrated that it requires additional revenues and has filed revised rates at Staff's recommended levels.
- 16 (5) The Company requests an exemption from Washington Administrative Code (WAC) 480-30-311, Tariffs and time schedules, to allow the revised rates to

become effective on March 9, 2012, on less than statutory notice, and an exemption from WAC 480-30-316, Tariffs and time schedules, customer notice, to allow the Company to notify customers affected by the increased revised rates on less than statutory notice.

- 17 (6) RCW 81.28.050 and WAC 480-30-311 require thirty days' notice to the Commission prior to the effective date of the tariff. The Company requests less than statutory notice as permitted by WAC 480-30-326, so that the tariff revisions become effective on March 9, 2012. The Company requests less than statutory notice because the revised rates result in some increases, as compared to the rates the Company originally proposed.
- 18 (7) WAC 480-30-316 requires auto transportation companies to provide each affected customer a notice at least thirty days before the requested effective date of a proposed rate increase. Granting the Company's request for less than statutory notice also requires an exemption from WAC 480-30-316, regarding notice to customers. For the same reason the Company identified for seeking less than statutory notice, the Company seeks such an exemption from customer notice requirements. The Company originally notified customers of the proposed rates filed on December 5, 2011, and requests an exemption from the customer notice rule.
- 19 (8) After reviewing the tariff revisions Shuttle filed in Docket TC-112072 and giving due consideration, the Commission finds it is consistent with the public interest to dismiss the Complaint and Order Suspending Tariff Revisions in Docket TC-112072, dated December 29, 2011, grant the Company's request for an exemption from WAC 480-30-311, Tariffs and time schedules, and allow the revised rates filed March 5, 2012, to become effective on March 9, 2012, on less than statutory notice, and grant the Company's request for an exemption from WAC 480-30-316, Tariffs and time schedules, customer notice.

**ORDER**

**THE COMMISSION ORDERS:**

- 20 (1) The Complaint and Order Suspending Tariff Revisions in Docket TC-112072,  
entered on December 29, 2011, is dismissed.
- 21 (2) The revised tariff revisions Shuttle Express, Inc., C-975, filed in this docket on  
March 5, 2012, shall become effective on March 9, 2012.
- 22 (3) After the effective date of this Order, the Commission grants Shuttle Express,  
Inc.'s request, as permitted by WAC 480-30-226, to allow the revised rates to  
become effective March 9, 2012, on less than statutory notice.
- 23 (4) After the effective date of this Order, Shuttle Express, Inc., is granted an  
exemption from WAC 480-30-316, concerning customer notice requirements.

DATED at Olympia, Washington, and effective March 8, 2012.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner