Agenda Date: October 10, 2013

Item Number: B1

**Docket:** TC-131793

Company Name: SeaTac Shuttle, LLC dba Whidbey-SeaTac Shuttle

Staff: Penny Ingram, Regulatory Analyst

Roger Kouchi, Consumer Protection Staff

## Recommendation

Issue an Order approving Tariff No. 5 filed by SeaTac Shuttle, LLC., on September 23, 2013, and revised on September 27, 2013, to implement flexible fares to become effective on October 24, 2013.

## **Discussion**

On August 21, 2013, the 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.

A new rule, WAC 480-30-420, Fare Flexibility, allows an auto transportation company to offer flexible fares for regulated services based on fares published in a company's effective tariff. The rule change allows for a maximum fare increase of 25 percent over the published fare (base fares). The rule allows the company to charge fares at or below the published maximum fare.

On September 23, 2013, and revised on September 27, 2013, SeaTac Shuttle, LLC., (SeaTac Shuttle) filed Tariff No. 5 requesting to implement flexible fares. Staff reviewed the company's proposal and found the company has established maximum fares that are 25 percent above its base fares.

WAC 480-30-420 states "A company 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. A company may not impose any charge on any customer other than a single fare for the passenger service provided. This would not affect a company assessing charges for accessorial charges published in the company's tariff (e.g., baggage, cancellation fees, or refund transactions, etc.)."

SeaTac Shuttle's Special Fuel Surcharge Supplement No. 114 became effective September 23, 2013, and expires on October 22, 2013.

## **Customer Comments**

On September 23, 2013, the company notified its customers of its proposal to implement flexible fares. To date, the commission has not received any customer comments on this proposal.

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