

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

SHUTTLE EXPRESS, INC.,

For Exemption From WAC 480-30-213,
WAC 480-30-221, WAC 480-30-231,
and WAC 480-30-456 Pursuant to WAC
480-07-110

DOCKET TC-160819

ORDER 02

ORDER GRANTING EXTENSION
OF PETITION FOR EXEMPTION
WITH CONDITIONS

BACKGROUND

- 1 On June 17, 2016, Shuttle Express, Inc. (Shuttle Express or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition pursuant to WAC 480-07-110 for a temporary and conditional exemption from compliance with WAC 480-30-213 and WAC 480-30-456 to permit Shuttle Express to use independent contractors to supplement its shared ride service to and from SeaTac International Airport (SeaTac).
- 2 On September 6, 2016, Shuttle Express filed an amended petition seeking an additional partial exemption from the “inconsistent definitions and requirements” of WAC 480-30-221 and WAC 480-30-231 to exempt its independent contractors from certain safety and vehicle identification requirements.
- 3 On September 30, 2016, the Commission entered Order 01 granting the Company’s petitions with conditions for a period of ten months.
- 4 On December 2, 2016, the Commission initiated a rulemaking in Docket A-161262 to consider revisions to the rules governing auto transportation companies. On June 2, 2017, the Commission formally proposed to adopt revised rules that would authorize such companies to use independent contractors under certain conditions. The Commission has scheduled an adoption hearing in that docket on July 20, 2017.
- 5 On June 16, 2016, Shuttle Express filed a petition seeking a six month extension of the exemption granted in Order 01. That extension would allow the Company to continue to operate as it has while the Commission completes the adoption process for the proposed rules. The revised rules, once effective, would render the exemption no longer necessary.

6 The Company contends that it would be inefficient and detrimental to the public for Shuttle Express to shut down a successful pilot project for a brief period of time because the exemption in Order 01 expires shortly before the revised rules will likely become effective. The Company further argues that it will need 30 days after the revised rules become effective to make the appropriate changes to its operations without interrupting service.

7 Commission staff (Staff) reviewed the Company's petition for extension and agrees that granting additional time would benefit both the Company and the public.

DISCUSSION

8 We agree with Staff and Shuttle Express. We granted the limited waiver of the Commission's existing rules to allow the Company immediately to address competitive pressures while we considered revisions that would better tailored our rules to today's marketplace. That justification continues to exist. Accordingly, we grant the Company's petition and extend the limited and conditional exemption in Order 01 for a period not to exceed 6 months beyond the existing expiration date, or until 30 days after the effective date of the rules promulgated in Docket A-161262, whichever is sooner.

FINDINGS AND CONCLUSIONS

- 9 (1) The Commission is an agency of the State of Washington, vested by statute with authority to regulate rates, rules, regulations, and practices of public service companies, including auto transportation companies, and has jurisdiction over the subject matter of this proceeding.
- 10 (2) Shuttle Express is an auto transportation company and holds a certificate of public convenience and necessity to transport passengers.
- 11 (3) This matter came before the Commission at its regularly scheduled meeting on June 29, 2017.
- 12 (4) On September 30, 2016, the Commission entered Order 01 granting Shuttle Express a temporary and conditional exemption from compliance with certain provisions in WAC Chapter 480-30. That exemption expires on July 30, 2017.
- 13 (5) On June 16, 2017, Shuttle Express filed a petition requesting that the Commission extend the exemption in Order 01 to enable the Commission to adopt revised rules in Docket A-161262.

- 14 (6) The Commission finds it is in the public interest to extend the limited and conditional exemption in Order 01 for a period not to exceed 6 months beyond the current expiration date, or until 30 days after the effective date of the rules promulgated in Docket A-161262, whichever is sooner.

ORDER

THE COMMISSION ORDERS:

- 15 (1) Shuttle Express, Inc.'s petition for an extension of the conditional exemption from compliance with WAC 480-30-213, WAC 480-30-221(1), WAC 480-30-231(1), and WAC 480-30-456, filed on June 16, 2017, is granted for a period not to exceed 6 months, or until 30 days after the effective date of the rules promulgated in Docket A-161262, whichever is sooner.
- 16 (2) The Commission retains jurisdiction over this matter to effectuate the terms of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective June 29, 2017.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary