Pacific Northwest Transportation Services, Inc. (C-862) d/b/a Capital Aeroporter PO Box 2163 Olympia, Washington 98507

November 19, 2013

Mr. Steven V. King
Executive Director and Secretary
Washington Utilities & Transportation Commission
PO Box 47250
1300 Evergreen Park Dr. SW
Olympia, Washington 98504-7250

Re: Flexible Fare Filing for Pacific Northwest Transportation Services, Inc. (C-862) Tariff Page 4a Revision

Mr. King:

The company requests Commission approval to amend its filed Tariff No. 4 Page 4a on Less Than Statutory Notice to transition to Fare Flexible Rates. We respectfully request approval and adoption of the attached "20th Revised Tariff Page 4a", to become effective 29 November 2013 for the following reasons:

- (1) Our last general rate case was approved in 2006.
- (2) Company expenses now exceed revenue.
- (3) Summer peak revenue reserves to cover Winter expenses are now depleted.
- (4) November 1-15, 2013, reservations are \$10,000 less than that of the same period in 2012.
- (5) Immediate revenue relief via Fare Flexibility Rule (WAC 480-30-420) is necessary to meet expenses or immediate service reductions will be necessary.
- (6) Statutory minimum wage and payroll taxes increase, as of January 1, 2014.

Customer notice has been made, as of November 19, 2013, regarding the change to flexible fares using the attached Customer Notice for Flexible Fares posted in accordance with WAC 480-30-316.

Upon effective date of Flexible Fare filing, we request cancellation of Fuel Surcharge Tariff Supplement No. 124 (TC-132084).

Sincerely,

John Fricke Vice President—Operations/COO 360-754-7113 x105 johnf@capair.com

James N. Fricke President/CEO 360-754-7113 x106 jimf@capair.com

FAX 360-754-7118