

Issues		Industry Comments
<b>Rate/Fares Methodologies</b>		
1.	Establish a banded rate methodology. (As proposed, this option would remove the need for fuel surcharge filings).	I am strongly in favor of this method and this methodology must be codified. I am in favor of adopting the HHG model with limited entry standards.
2.	Establish a return on investment methodology.	Opposed
3.	Maintain status quo – entry and ratemaking methodology (Operating Ratio 93).	Strongly opposed. The operators and staff have invested four years to effect change to the current unwritten policy. If status quo were maintained, the past four years would have been for naught.
4.	Develop alternative approaches within the operating ratio method using Lurito/Gallagher and Kosh turnover ratio methodology.	Strongly opposed. This approach is contingent on revenue and profits, <u>not</u> rates that are fair, just, reasonable and sufficient.
5.	Rate base rate of return.	Opposed
<b>Proposals to change current UTC procedures</b>		
6.	Create a pass-through process for fuel expenses with true up.	Not necessary if banded rate methodology is adopted. If banded rates are not adopted, then certainly a more accurate method for determining gas surcharges must be adopted which eliminates the 1% inflationary kicker. Projected inflationary increases in other expense categories are not considered when applying for general rate increases.
7.	Allow carriers to file promotional rates on one-day notice. Valid for 90 days.	Not necessary if banded rate methodology is adopted.
<b>Operations</b>		
8.	Maintain strict entry standards.	Only if existing permitted operators are performing to the satisfaction of the Commission and those standards are outlined in the rules.
9.	Create rules outlining ratemaking methodology.	Strongly support rules outlining the approved ratemaking methodology. Current unwritten policy is totally unsatisfactory subject to wide latitudes and interpretation.
10.	Increase enforcement against illegal carriers.	Support
11.	Additional emphasis on safety standards and service quality.	Existing rules, both Federal and State, are satisfactory.
<b>Legislation</b>		
12.	Propose legislation to eliminate entry and rate regulation, but maintain registration, safety standards and insurance.	Would support legislation to modify rate methodology if necessary but would oppose total entry deregulation.
<b>Other issues for consideration</b>		
		It is difficult to understand, when fares are contingent on revenues and profits, how the traveling public is being served when three other operator's fares are 2-3 times greater while serving the same overlapping geographic area. Revenues and profits must be removed from the equation and fares determined as fares only.