BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

SHUTTLE EXPRESS, INC.,	DOCKET NOS.
	TC-143691, TC-160516 & TC-161257
Petitioner and Complainant,	
v.	ERRATA TO PRE-FILED TESTIMONY OF
v.	H. JACK ROEMER: EXHIBIT No (HJR-
SPEEDISHUTTLE WASHINGTON, LLC,	1T)
Respondent.	
SPEEDISHUTTLE WASHINGTON LLC d/b/a SPEEDISHUTTLE SEATTLE,	
Complainant,	
v.	
SHUTTLE EXPRESS, INC.,	
Respondent.	

Speedishuttle files this Errata to Pre-filed Testimony of H. Jack Roemer: Exhibit No. ___ (HJR-1T) to correct errors discovered in the testimony of H. Jack Roemer filed March 17, 2017, and submits the revised versions of those pages, as described in the following table:

On page 13, line 19	"Marks's" should be "Marks""
On page 17, line 9	"and" should be "and"
On page 18, line 10	"sets" should be "set"
On page 19, line 6	"Mark's" should be "Marks"
On page 25, line 22	"original" should be "origin"
On page 27, line 25	"Mark's" should be "Marks"
On page 28, line 9	"Mark's" should be "Marks""
On page 31, line 22	"Mark's" should be "Marks"

ERRATA TO PRE-TESTIMONY OF H. JACK ROEMER: EXHIBIT No. ___ (HJR-1T) - 1

On page 36, lines 14-15	"review our records I show" should be "review of our records, I show"
On page 39, line 10	"Marks" should be "Marks"
On page 41, line 9	"Shuttle Express's" should be "Shuttle Express'"
On page 45, line 6	"more" should be "less"
On page 50, line 24	"be on" should be "beyond"

DATED this 20th day of March, 2017.

RESPECTFULLY SUBMITTED,

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CERTIFICATE OF SERVICE

I hereby certify that on March 20, 2017, I caused to be served the original and one (1) copy of the foregoing documents and attachments to the following address via US mail:

Steven V. King, Executive Director and Secretary Washington Utilities and Transportation Commission Attn.: Records Center P.O. Box 47250 1300 S. Evergreen Park Dr. SW Olympia, WA 98504-7250

I further certify that I have also provided to the Washington Utilities and Transportation Commission's Secretary an official electronic file containing the foregoing documents and attachments via the WUTC web portal; and served a copy via email and/or first class mail, postage prepaid, to:

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Dated at Seattle, Washington this day of March, 2017.

Maggi Gruber

Legal Assistant

ERRATA TO PRE-TESTIMONY OF H. JACK ROEMER: EXHIBIT No. ___ (HJR-1T) - 4

Williams, Kastner & Gibbs PLLC 601 Union Street, Suite 4100 Seattle, Washington 98101-2380 (206) 628-6600 vehicles like Shuttle Express, we would lack the same direct control over vehicle maintenance and there would be always be some lingering questions, at least for us, about the ultimate safety of our passengers.

- Q. Mr. Wesley Marks testified in Exhibit No. ___(WAM-1T) at page 7, lines 9-11, that "actual experience has shown that the introduction of Mercedes vans did not provide service to people who were or would have been unserved simply because we use Ford vans." Isn't it possible that anyone who could ride in one of Speedishuttle's vehicles could ride in one of Shuttle Express' Ford vans?
- It is possible, but that does not mean they would affirmatively choose to be transported A. in one of Shuttle Express' vans. Rather than riding in a Ford van, those same passengers might select to ride in a nicer vehicle through a TNC like Uber or Lyft. There are numerous options for airport transportation in King County and some customers may prefer the option to ride in a more nicely furnished vehicle but with a door-to-door shared ride service price. Frankly, I don't know how Mr. Marks or anyone else could testify whether a passenger who chooses to use Speedishuttle's service would have subjectively accepted the alternative of riding in Shuttle Express's Ford vans. Certainly nothing about market analytics relied upon by Mr. Marks, Mr. Wood and Mr. Kajanoff in their direct testimony could support that answer. Mr. Marks' testimony also inherently suggests that Shuttle Express is entitled to a monopoly and that anyone seeking shared ride service in King County would and should be satisfied with whatever Shuttle Express chooses to offer. With all of the other existing transportation options, however, I doubt that is true. Speedishuttle's service is different because we understand that despite continuing regulatory controls of market entry, shared ride services here exist in a dynamic transportation market which this Commission has repeatedly observed. In order to compete, we seek to provide

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A.

filed, and then immediately improving their own service in response to an application. This would not only stifle innovation but enable the existing carrier to claim a service monopoly without ever having to improve its service until a newcomer files an application, ironically, much like Shuttle Express has tried to do here.

- Q. Does Speedishuttle do anything else to appeal to "tech-savvy" customers who might like the idea of reserving a ride through TNC on their mobile device?
 - In addition to providing Wi-Fi, we have released iPhone iOS and Android apps and have been actively promoting them. They are available at https://itunes.apple.com/us/app/speedishuttle-seattle/id1126837775 and https://play.google.com/store/apps/details?id=com.hudson.speedishuttle_seattle. They permit passengers to make and store reservations on their Apple and Android smart phones. We have also developed and released "Where's My Vehicle," providing departing guests with real-time information on their vehicle and driver automatically. The service is free to the guest and is provided automatically if we have either a valid U.S. cell phone number or a valid email address. If we are provided a U.S. mobile phone number for the guest, they will receive an SMS (text) message twenty minutes prior to their scheduled departure pickup. If we do not have a valid telephone number but have an email address, the guest will receive an email. Either includes a customized web link which will open a map that tracks the vehicle's progress and displays the driver's name and vehicle description.

SPEEDISHUTTLE TV

- Q. Can you please describe for the Commission what evidence was presented by Speedishuttle about TVs in its application testimony?
- A. Here, I am going to quote from the application hearing transcript verbatim. Starting on page 28, line 21 and ending on page 29, line 1, Cecil Morton testified "Our vehicles

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to be clueless."	Did Shuttle Express actually ask Speedishuttle in discovery or an
place else if Spe	eedishuttle TV actually worked?

- A. This sounds a lot like how Mr. Marks has tried to twist or modulate Shuttle Express' data requests, and Speedishuttle's responses, regarding our Wi-Fi service. To be clear, Shuttle Express *never* asked Speedishuttle if Speedishuttle TV actually worked.
- Q. Is there any truth to Mr. Marks' testimony that Shuttle Express asked if any of Speedishuttle's passengers actually watched the TV?
- A. Absolutely not.
- Q. To be clear, what did Shuttle Express ask Speedishuttle regarding Speedishuttle TV in discovery?
- A. Shuttle Express requested information for every single trip made in Speedishuttle's history in Washington in Data Request No. 6, and asked within that data for Speedishuttle to provide "...whether they used Wi-Fi or watched TV..." In Data Request No. 8, which I have provided as Exhibit No. ____ (HJR-11), Shuttle Express asked Speedishuttle to "[p]rovide documents that show the vehicles used to transport passengers in the market, including for each vehicle the make, model, year and any amenities such as TVs and Wi-Fi facilities. Provide records that show when such amenities were installed, operated (on/off/disabled, etc.) and used (e.g., Wi-Fi data usage records)."
- Q. So did you tell Shuttle Express how many people actually watch Speedishuttle TV?
- A. We had no way to answer Shuttle Express' question because there is no realistic way for us to track that information. At the risk of sounding facetious, that's equivalent to asking us to tell you how many of our customers chew gum. We do not track how many customers watch Speedishuttle TV because we have no business reason to do

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multilingual and which are merely "unskilled labor," I don't much care for Mr. Marks' viewpoint. Speedishuttle has customers from around the world, and we do what we can to hire drivers and greeters with varied language skills in order to accommodate our customers. More importantly, we do not discriminate amongst customers in the way Mr. Marks appears to be suggesting we should. We try our best to serve as many foreign language customers as we can. If Shuttle Express wants to discriminate on the basis of hiring or service of customers, that is their prerogative, but is decidedly not a policy we have or would ever adopt.

- Q. Mr. Marks also appears to suggest that Speedishuttle proposed to serve only multilingual passengers. Did Speedishuttle ever propose in its application or through its application hearing testimony to reserve its service for only multilingual passengers, or any other limited subset of the general public?
 - We certainly did not. As I discussed earlier, Speedishuttle proposed to provide an upscale shared ride service which would provide additional service features not available from the other providers in the territory for which we applied. The multilingual services we discussed were only one component of those service features. Frankly, I wonder whether Mr. Marks understands that what he portrays our service was supposed to be and how it was to be implemented appears to be illegal. Does he actually propose we use a language and/or a visual test for our passengers to ensure they all speak a foreign language? Should we pick and choose acceptable passengers on that basis? That clearly seems to suggest we discriminate against passengers on the basis of national origin, not to mention violates the basic obligations of a common carrier, and that was certainly not what Speedishuttle ever proposed to provide. Speedishuttle proposed to distinguish its service by its features, and the Commission found those features might well appeal to unserved demographics, but that does not

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- Q. Mr. Marks also appears to make a big deal about whether particular demographics were already served, for example he suggests Speedishuttle hiring Spanish speaking drivers doesn't count because it was never identified as an unserved demographic and Shuttle Express already served that demographic. Exhibit No. ___ (WAM-1T), page 10, lines 10-11. Did Speedishuttle discuss providing service to Spanish speaking customers in the application hearing?
- A. First, I would like to note that I do not see what difference it makes whether a demographic was already served. Our application was predicated on service feature differentiation and Shuttle Express' failure to serve to the satisfaction of the Commission based on its need for third parties to "rescue" its passengers. But, actually, Cecil Morton did testify about Speedishuttle's efforts to serve Spanish language customers at the application hearing, which I cited earlier. That testimony is located in the application hearing transcript at page 24, lines 8-14.
- Q. By the way, did Mr. Marks or anyone else for Shuttle Express testify that they already served Spanish speaking customers at the application hearing?
- A. No, neither Mr. Marks nor Mr. Kajanoff testified that Shuttle Express provided any multilingual services whatsoever. Here and on many other points, Shuttle Express seems intent on re-litigating our application hearing in this proceeding. If this information would have made a difference, it was available then and it should have been raised at that time.
- Q. Mr. Marks also suggests there simply is no need for multilingual services, testifying "I'm aware of only two cases of a non-English speaker who required assistance in a language other than that spoken by the individual they were working with." Exhibit No. ___(WAM-1T), page 13, lines 10-11. Do you have any comments on Mr. Marks' testimony in that regard?

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- A. Assuming Mr. Marks even knows what each and every one of Shuttle Express passengers' language requirements truly are, I think this simply suggests passengers who require multilingual access choose not to use Shuttle Express. Those who do may manage to get by, but that doesn't mean multilingual passengers are being accommodated or would not benefit from additional service features. The willingness to take steps to accommodate those passengers is one of a number of things that set, Speedishuttle's service apart from what Shuttle Express offered, which the Commission appeared to understand and acknowledge when it granted our certificate.
- Q. Do you also think Mr. Marks' comment suggests Shuttle Express did not endorse the Commission's 2013 Rulemaking?
- A. I do. The 2013 auto transportation Rulemaking indicated the UTC wanted auto transportation companies to become more competitive through adaptation to the market and through service innovations. Mr. Marks' comments and Shuttle Express' continuing practices and indeed this current process all suggest to me Shuttle Express wants to ignore those policies so it can keep doing what it has always done. Rather than acknowledge that service improvements may be helpful and responsive to the public, they seem instead to simply demand the protection of a single regulated door-to-door provider in the state's largest population center, despite dramatic regulatory changes in 2013.

DEPARTURE TIMES

- Q. Mr. Roemer, I'd like to turn now to departure times. Did Speedishuttle represent at the application hearing that it would offer a 20 minute departure guarantee?
- A. That was definitely something which Cecil Morton discussed at the application hearing with respect to Speedishuttle Hawaii, and which we intended to bring to Washington as well.

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٨.	It is possible that it is accurate, but he has no way of knowing and neither do we. The
	data Speedishuttle has available is only for walk up guests and tracks the time from
	their purchase and actual departure, which is the relevant time period in our departure
	guarantee in Hawaii. Speedishuttle does not track the time a guest is "ready to go" that
	Mr. Marks referred to. Further, the information we have available is full of errors and
	we informed Shuttle Express of that when we produced it to them. Again, Mr. Marks
	seems bent on a goal here and apparently decided that he would rather offer testimony
	he viewed as helpful to his cause based on error-filled data than admit that no
	meaningful testimony could be predicated on the basis of available information.

- Q. Can you explain what sorts of errors that data contains and why any conclusions drawn from it are not helpful?
- A. Most of these issues are caused by the way our dispatch software treats a driver communication for a trip in process. The software sometimes resets (but not always) the onboard time when a driver sends a text to dispatch. We have never found this to be a serious problem since we are tracking wait times for walk up customers as a measure of the effectiveness and efficiency of our dispatch team and not to prove some point for Mr. Marks. We would prefer to have 100% accurate data for internal monitoring, and the data we have now is, in our opinion, satisfactory for our broad performance monitoring for walk up reservations. But it simply cannot be relied upon to reach any absolute conclusions about our overall aggregate departure times. Therefore, any conclusion based on them is just a guess.
- Q. But don't Mr. Marks' statements about Speedishuttle departure times actually show that you meet your goal most of the time?

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1	A.	I am, because, Mr. DeLeo sent an email which was forwarded to Speedishuttle about it.
2	Q.	Was his testimony accurate?
3	A.	No.
4	Q.	Please describe in what ways his testimony was inaccurate.
5	A.	Mr. DeLeo's testimony stated that Speedishuttle had just two greeters for 70 passengers
6		at 16 baggage carousels when he investigated. Exhibit No(JD-1T), page 3, lines
7		12-13. But when he prepared an email outlining his "investigation" on May 28, 2016,
8		he told us there were 3 greeters for 30-40 reservations over a few hours. Exhibit No.
9		(HJR-15). He also failed to mention that SMS had just three flights arriving. AS-
10		637 (Alaska) at 10:55, with three passengers, BA 53 (British Airways) at 11:20 with
11		two passengers, and DL 2784 (Delta) at 11:57 a.m. with two passengers.
12	Q.	In your opinion, was Speedishuttle's staffing of greeters appropriate based upon
13		the number of incoming flights?
14	A.	I have not done a thorough analysis of the timing of arrivals, but based on my review of
15		our records, I show we had 31 flights to greet in the three hours from 9:00 a.m. to noon
16		that day. That's 10 flights per hour with three greeters each handling roughly 3 flights
17		per hour. I think that sounds perfectly reasonable.
18	Q.	But on the day Mr. DeLeo investigated, didn't his staff end up greeting a majority
19		of their guests?
20	A.	No. He said there was one flight where they could not find the greeter. That flight (BA
21		53 at 11:20) had 3 guests out of 7 passengers for SMS that day.
22	Q.	Did Mr. DeLeo ever complain about the professionalism or dress of
23		Speedishuttle's greeters in his email?
24	A.	No, in fact he mentioned Candy Jesse was friendly in his email but had nothing else to
25		say about it at the time.
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Absolutely it did. We felt like everything we did was above board and with good 1 A. intentions and we had no idea why walk-up later became an issue despite our original 2 assumption that the agreement between the Port and Shuttle Express would preclude 3 that service. We thus viewed walk-up as a more complete service offering. 4 5 VI. MARKET ANALYTICS Mr. Roemer, I'd like to ask you a few questions about Speedishuttle's business 6 Q. model, as discussed by the witnesses for Shuttle Express, in the context of their 7 8 market analysis. 9 Ok. A. Have you had an opportunity to review Mr. Marks comments in Exhibit No. 10 Ο. 11 (WAM-1T) on page 11? 12 A. I have. Mr. Marks testified at page 11 of Exhibit No. ___(WAM-1T) "[w]e know from 13 Q. over a year of experience that Speedishuttle is not really carrying unserved 14 Chinese, Japanese, and Korean passengers in any meaningful numbers. First, had 15 that happened, we would have seen an increase in the total number of shared ride 16 passengers, or at least a slowing down of the downward trend. That did not 17 happen." Do you have any reactions to this testimony? 18 First, again, neither Speedishuttle nor the Commission ever said Speedishuttle was 19 A. going to serve only Chinese, Japanese or Korean passengers, so I truly don't understand 20 the context of this comment at all. Additionally, that statement makes several 21 assumptions that are not supported by evidence. For example, what was the overall 22 market trend? How many passengers chose alternative services? What were the 23 language demographics of those passengers? He would need to answer all of those 24 25 Williams, Kastner & Gibbs PLLC TESTIMONY OF H. JACK ROEMER, Exhibit No. ___ (HJR-1T) - 39 601 Union Street, Suite 4100 Seattle, Washington 98101-2380 (206) 628-6600

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do something more than point to us using the same wholesaler to establish that the	he same
customers who would or could have used Shuttle Express are now using Speedis	shuttle.

- Q. Is this even "new evidence," as Shuttle Express claimed this rehearing was founded upon?
- A. Not at all. In fact, Mr. Marks made Go Group a significant point of discussion at the application hearing, claiming it was a critical issue. Mr. Marks well understood that Go Group's support of Speedishuttle's application meant that Shuttle Express would likely lose bookings from the Go Group when he raised that challenge at the time. Again, Shuttle Express' testimony here and in other areas continually demonstrates that they believe they are entitled to a service monopoly under the law and should not be required to compete, or be required or expected to improve or innovate.
- Q. Does that same critique apply to Mr. Marks' testimony in Exhibit No. ___(WAM-1T) at page 20, lines 1- page 21, line 2.
- A. Absolutely it does. Rather than innovate, or even supply new evidence not available at the application hearing, Mr. Marks is implicitly asking the Commission to reject its ruling in 04 based on Shuttle Express' long-standing service to hotels and piers. What Mr. Marks fails to acknowledge is that Speedishuttle provides additional service, beyond mere transportation, to enhance our passengers' visits to Washington.
- Q. Do you have any other comments on Mr. Marks' testimony?
- A. I do. In Exhibit No. ___(WAM-1T) at page 19, lines 8-16, Mr. Marks claims that Speedishuttle's use of a kiosk demonstrates that Speedishuttle's service is the same as Shuttle Express. In that vein, I suppose Mr. Marks would also testify that Speedishuttle's use of tires on our vehicles demonstrates we are the same service as Shuttle Express. The use of a kiosk may be similar to what Shuttle Express does, but

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- Q. Now if you did have some large costs lumped together at once, like in your Super Bowl ad example, so that your revenues in a year were well below your costs for the year, wouldn't that harm Shuttle Express?
- A. I don't see how that could be true. Passengers have choices for transportation and the factors which would likely weigh into that customer's consideration would be service and price. While I understand that there are regulatory rules used for determining fares, a provider's cost cannot truly affect price in a competitive market because we can never charge more than the market supports, and what the UTC authorizes, for our service.

 Thus, the only important comparison should be between the incremental cost of service (i.e., the average variable cost) and the fare charged for that service by each company.
- Q. By the way, is it true that Speedishuttle intended to begin its operations with only five vehicles?
- A. That was the initial plan. At the time that plan was made of course we were not certain how quickly we would develop our clientele in Washington.
- Q. Was it always part of Speedishuttle's plan to grow its business in Washington?
- A. Indeed it was. If you review Cecil Morton's testimony in the application hearing transcript at page 46 lines 1-6, you will see that he testified: "[i]f we find that the demand is greater than our capacity, we will acquire new equipment. We will not be starting the business within days of obtaining our authority. We will be reaching out to all our clientele and we will adjust our in [sic]— commencement fleet accordingly."

 Thus, Speedishuttle always intended to acquire additional vehicles as demand warranted.
- Q. Did the demand for Speedishuttle service require that you acquire additional vehicles beyond the initially proposed five?

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