

PENNSYLVANIA PUBLIC UTILITY COMMISSION  
Harrisburg, Pennsylvania 17105-3265

Final Rulemaking for Streamlining  
the Rate Increase Procedures for Small  
Motor Passenger Carriers

Public Meeting held December 2, 2010  
2057661-LAW  
Docket No. L-2008-2057661

STATEMENT OF VICE CHAIRMAN TYRONE J. CHRISTY

Today, the Commission has made an important decision to approve Streamlined Rate Increase Procedures for Small Motor Passenger Carriers<sup>1</sup>. Our decision will positively impact the small motor passenger carriers that we regulate.

In my view, our previous procedure for requesting a rate increase often was a burdensome process for small motor passenger carriers. In 2007, I requested that the Commission staff review our procedures to see if a simplified rate increase process for these small carriers was a possibility. Some of our requirements, such as the filing of highly detailed business records, were preventing small motor passenger carriers from receiving much needed revenue increases. Many small motor passenger carriers do not have the sophisticated record keeping and the expertise in the ratemaking process that large carriers have. These factors result in lengthy delays to the rate increase process and, in some cases, the denial of a needed rate increase.

Our new procedures allow small carriers to support a rate increase request without filing the detailed financial documentation previously needed, but with general revenue information that permits the Commission to determine whether the increase in rates is reasonable. The Commission also is adopting a stay-out provision prohibiting a small motor carrier from requesting a stream-lined rate increase more than once during a one year period. Carriers do have the option to request a rate increase prior to the expiration of the one year stay-out provision by filing a general rate increase that complies with the provisions of 52 Pa. Code §§ 23.61 - 23.64.

As a whole, our new regulations will increase the Commission's efficiency in handling small passenger carrier rate increase requests and, more importantly, will assist these carriers in receiving necessary revenue increases in an equitable and reasonable manner.

12-2-10

DATE

  
TYRONE J. CHRISTY, VICE CHAIRMAN

<sup>1</sup> The term "small passenger carrier" is defined as "[a] person or corporation holding out, offering or undertaking, directly or indirectly, service for compensation to the public for the transportation of passengers or any class of passengers, with gross operating revenues of less than \$500,000."