

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF REVISED TARIFF AND CHARGES)
FOR THE TRANSPORTATION OF PASSENGERS IN)
TAXI SERVICE BETWEEN POINTS IN THE DENVER)
METRO AREA AND BETWEEN SAID POINTS AND) Docket No. 01S-190CP
DENVER INTERNATIONAL AIRPORT AS FILED BY)
DENVER TAXI, LLC DBA YELLOW CAB, IN 3RD)
REVISED PAGE NO. 11 TO PASSENGER TARIFF,)
COLORADO PUC NO. 2, SCHEDULED TO BECOME)
EFFECTIVE MAY 11, 2001.)

**SETTLEMENT AGREEMENT AND
JOINT MOTION FOR APPROVAL THEREOF**

Denver Taxi, LLC ("Denver Taxi") and the Staff of the Commission, by their respective undersigned attorneys, hereby state that they have resolved by settlement all outstanding issues in this case and jointly move the Commission to approve their settlement agreement set forth below in complete resolution of this case. In support, Denver Taxi and the Staff submit the following:

1. Denver Taxi filed its Letter of Transmittal proposing to revise its Colorado PUC No. 2 tariff by Third Revised Page 11 canceling Second Revised Page 11 on April 5, 2001. The filing proposed to increase the rate for the first 1/8 mile of a taxi trip (i.e., the flag drop rate) from \$1.60 to \$2.50. Notice of the filing was published advising the public that the change would "result in a maximum increase in [taxi] rates of 56%."

2. The Commission suspended the proposed increase and set it for hearing in Decision No. C01-0511 mailed May 9, 2001 ("Suspension Decision"). The Commission expressed concern about the 56.3% increase in the rate for the first 1/8 mile of a taxi trip. The

Commission also expressed concern about the operation of 4 CCR 723-31-26.4.4, which would automatically increase the uniform flat rates for service between Denver International Airport (“DIA”) and Downtown Denver, the Denver Tech Center, and Boulder, upon approval of Denver Taxi’s proposed increase in the flag drop rate.

3. The Commission ordered the Staff to become a party to the case. The Staff entered its appearance on or about June 18, 2001.

4. The 30-day period allowed for interventions by other parties by the Suspension Decision expired on June 8, 2001. No other party intervened.

5. The Staff and Denver Taxi have held discussions regarding all issues in this case and exchanged information since the Suspension Decision. They have also independently analyzed the issues in light of their respective interests and the public interest. They have reached a settlement agreement which they believe appropriately addresses the Commission’s concerns expressed in the Suspension Decision and will result in just and reasonable taxi rates for the public and Denver Taxi.

6. The agreement between Denver Taxi and the Staff has three elements. First, the flag drop rate will remain \$1.60. Second, in lieu of the proposed increase in the flag drop rate, the metered mileage rate will increase by \$0.20 from the present \$1.60 to \$1.80 per mile. The

corresponding tariff rate will be \$0.20 per 1/9 mile, which equals \$1.80 per mile.¹ Third, no change will be made in the DIA flat taxi rates for any taxi company.

7. The parties' agreement for no change in the flag drop rate addresses the Commission's concern about the magnitude of the proposed 56.3% increase in that component of the fare, including any concerns about the proposed percentage increase in the total taxi fare for short trips.

8. The overall increase in revenue resulting from the settlement, based on 2000 *pro forma* operating figures, will be \$1,364,691, which is equivalent to a 7.25% increase in overall fare box revenue. This will reduce Denver Taxi's net operating ratio from 0.981 to 0.954, which the parties hereto agree is just and reasonable in this case. A detailed statement of the operating ratio calculation with and without the settlement is set forth in Exhibit A attached hereto.

9. The agreed \$0.20 increase in the metered mileage rate is 12.5% for that component of the rate. The percentage magnitude of the increase in this one rate component will be uniform regardless of the length of the taxi trip. The total fare for each taxi trip will increase no more than 12.5% for all trips, and somewhat less than 12.5% for most trips because the flag drop component of the fare will remain unchanged. In addition, the percentage increase in the

¹To implement the \$1.80 per mile rate, the fractional mileage unit on the taxi meters must be changed to 1/9-mile to avoid setting the mileage rate at fractional cents per mile (e.g., 22 ½ cents per 1/8-mile). This is due to the meter capability and to avoid confusing the public with a fractional cents rate. The mileage associated with the unchanged flag drop charge of \$1.60 also must be changed to 1/9-mile (from 1/8 mile) because the meters will only accept one mileage unit.

total fare will be greater for longer trips than shorter trips because the additional \$0.20 per mile will apply to each additional mile as the trip proceeds.

10. The impact of the settlement increase in the mileage rate of \$0.20 per mile on the total fare for trips of various lengths is set forth on Exhibit B.

11. The settlement also addresses the Commission's concern about automatic increases in the DIA flat rates because no such increase will occur. Denver Taxi hereby waives any rights it may have to increase its DIA flat rates pursuant to 4 CCR 723-31-26.4.4 as a result of the settled increase in the mileage rate in this case, and the contemporaneous settled increase in the mileage rate for Boulder Taxi, LLC in Docket No. 01S-191CP. Similarly, Boulder Taxi is waiving any right it may have to increase its DIA flat rates in the contemporaneous settlement agreement filed in that docket. In addition, the other unaffiliated taxi companies who may be eligible for such an increase, Metro Taxi, Inc., Zone Cab Company and Freedom Cabs, Inc., have all executed waivers of any right they may have to increase their DIA flat rates as a result of any metered rate increase in this case and in Boulder Taxi's companion case. The executed waivers by each of those three taxi companies are attached hereto as Exhibit C and incorporated herein by this reference.

12. Denver Taxi and the Staff believe that their settlement of this case on the foregoing terms satisfactorily addresses the Commission's concerns which led to suspension of the original flag drop increase proposal for the reasons explained above. Denver Taxi and the Staff agree that the resolution of this case set forth in this settlement agreement will result in just

and reasonable rates to the public using taxi services, and therefore, jointly urge the Commission to approve this settlement.

13. Denver Taxi and the Staff agree that this agreement has been entered into solely for the purposes of settlement and does not necessarily constitute agreement on any particular regulatory principles or ratemaking methodologies. Nothing in this agreement shall preclude either party from asserting positions, arguments and principles in future cases which may be inconsistent with those underlying their settlement agreement in this case.

14. Denver Taxi and the Staff state that reaching agreement as set forth herein by means of a negotiated settlement rather than a formal adversarial hearing is in the public interest and that the results of the compromises reflected in this agreement are in the public interest.

15. This agreement shall not become effective until a Commission decision approving the settlement agreement becomes final, without any material modification of the settlement rates which is unacceptable to either party hereto. If this agreement is not approved in its entirety or is approved with modifications which are unacceptable to either party, then this agreement shall be void and of no force and effect in this or any other proceeding.

16. The parties acknowledge that this agreement may be executed in counterparts, which nevertheless shall constitute one and the same agreement.

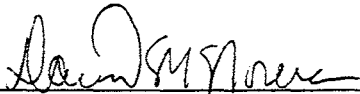
WHEREFORE, Denver Taxi and the Staff respectfully urge the Commission to enter its Order approving their settlement agreement in this case and authorizing Denver Taxi to file a new tariff in the form attached hereto as Exhibit D to be effective on one-day's notice.

Dated: July 17th, 2001.


Respectfully submitted,

KEN SALAZAR
Attorney General

DUFFORD & BROWN, P.C.



David M. Nocera (#28776)*
Assistant Attorney General
Business and Licensing Section
1525 Sherman Street, 5th Floor
Denver, CO 80203
(303) 866-5299

By: 

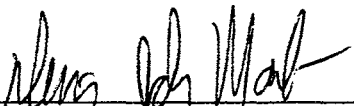
Richard L. Fanyo (#7236)
1700 Broadway, Suite 1700
Denver, Colorado 80290-1701
(303) 861-8013

Attorneys for Denver Taxi, LLC

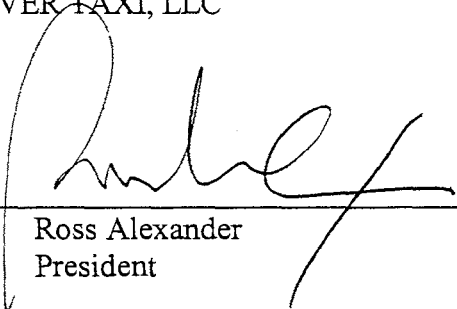
*Counsel of Record
Attorneys for Staff of the Public Utilities
Commission

TRIAL STAFF OF THE COLORADO
PUBLIC UTILITIES COMMISSION

DENVER TAXI, LLC

By: 

Dennis John Maul
Rate/Financial Analyst

By: 

Ross Alexander
President

Denver Taxi				
\$1.60 Flag Drop/\$1.80 per mile				
Includes all Metered and Flat Rate trips				
		2000	Pro Forma	Proposed
Taxi Fare Box Revenue				
	Flag drops (1,406,743 trips)	2,250,789	No Change	2,250,789
	Time Units (2,864,625 units)	572,925		572,925
	1/8 milage Units (54,587640 units) @.20 per unit	10,917,528		
	1/9 milage Units (61,411,095 units) @.20 per unit		1,364,691	12,282,219
	Flat Rates (Increase Waived)	4,913,995	No Change	4,913,995
	Extra Passengers	163,182		163,182
	Extra Baggage	5,475		5,475
	Finance charges/Misc	12,541		12,541
Total Revenue		18,836,435	1,364,691	20,201,126
Vehicle Expense				
	Parts,Supplies, Fuel, Misc.	310,374		310,374
	Vehicle Licenses	62,223		62,223
Insurance Expense				
	Loss Provision	666,200		666,200
	Premium	191,920		191,920
	Claims Handling	91,120		91,120
Salary Expense		1,638,936	(51,656)	1,587,280
Other Expense		63,512		63,512
	ommunication	356,497		356,497
	Event Staging	27,422		27,422
	t Investigation	31,104		31,104
	ab Promo Exp	41,149		41,149
	Towing	42,000		42,000
Driver Expense		13,033,942	750,580	13,784,522
SG&A Expense				
	Advertising	219,245		219,245
	Bad Debt	178,914		178,914
	Credit Card Processing	118,905		118,905
	Computer/Office Supplies	77603		77603
	Contract Labor	44,464		44,464
	Driver/employee Meetings	30,345		30,345
	Dues and Subscriptions	24,399		24,399
	Insurance Commercial	47,280		47,280
	Insurance Wrkmns Comp	75,360		75,360
	Miscellaneous SG&A	171,306		171,306
	Outside Contract Services	277,336		277,336
	Printing	36,641		36,641
	Property Tax	25,312		25,312
	Rent	93,510	79,290	172,800
	Sales Tax Expense	18,392		18,392
	Utilities	37,109		37,109
Dep & Amort		230,525		230,525
Vehicle Expense Depreciation		221,598		221,598
Total Expenses		18,484,643	778,214	19,262,857
NOI		351,792	586,477	938,269
Operating Ratio		0.981		0.954

Exhibit A
Docket No. 01S-190CP
Decision No. R01-790
July 30, 2001
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B

Impact On Traveling Public

For Denver Taxi

Metered Rate \$1.60 flag drop \$1.80/mile \$.20 per 1/9th mile
Length of trip in MILES 1/9th 1 3 5 5.23 10 20

Ave Den Trip

Current Fare Amount @ 1/8th mile Increments	1.60	3.00	6.20	9.40	9.60	17.40	33.40
Amount of Proposed Increase	0.00	0.20	0.60	1.00	1.20	2.00	4.00
Fare Amount with Proposed Increase (1/9th mile)	1.60	3.20	6.80	10.40	10.80	19.40	37.40
% Increase from Proposed Flag Drop	0.00%	6.67%	9.68%	10.64%	12.50%	11.49%	11.98%

Flat Rate

DIA to/from: DT DTC BLDR

Current Flat Rate 43.00 45.00 70.00
 NO CHANGE

Exhibit A
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Decision No. R01-790
July 30, 2001
Page 10 of 18

C



All You Need Is Three!

P.O. Box 5028 • Denver, Colorado 80217 • 303-321-5400 • Fax 303-336-9008

July 11, 2001

Mr. Bruce N. Smith
Director
Colorado Public Utilities Commission
1580 Logan Street, OL-2
Denver, CO 80203

Re: *Rate Increase Proposals by Denver Taxi, LLC and Boulder Taxi, LLC;*
Docket Nos. 01S-190CP and 01S-191CP

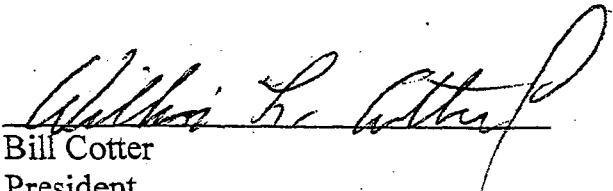
Dear Mr. Smith:

We are informed that Denver Taxi, LLC and Boulder Taxi, LLC have rate increase proposals pending before the Commission in the dockets referenced above, in which the Staff of the Commission is the only intervenor. We understand that the Commission's approval of any rate increase in these cases, or any subsequent increase in the meter rates for any other taxi company in the Denver metro area, may automatically increase the uniform DIA flat taxi rates for all such taxi companies, pursuant to 4 CCR 723-31-26.4.4. We understand the Commission is concerned about the automatic operation of that regulation on DIA flat rates in these two cases, and whenever any other taxi company contemplates a rate increase in the future. We support leaving the DIA flat rates for all companies at their current levels and agree to waive operation of that regulation in all such cases until the matter is resolved to the Commission's satisfaction.

Particularly, **Metro Taxi, Inc.** hereby waives any right it may have to increase DIA flat rates under 4 CCR 723-31-26.4.4 as the result of any meter rate increase that may be approved for Denver Taxi or Boulder Taxi in the dockets referenced above.

Please consider this letter a motion for such a waiver under 4 CCR 723-1-59 in connection with the referenced dockets if that is necessary. We will be pleased to answer any questions the Commission may have about this matter.

Sincerely,


Bill Cotter
President

Bruce N. Smith, Director
July 11, 2001
Page 2

STATE OF COLORADO)
)
) ss.
COUNTY OF DENVER)

The foregoing letter was subscribed and sworn to as being true, accurate and correct before me this 11th day of July, 2001, by William L. Cottaris PRESIDENT of Metro Taxi, Inc.

Notary Public 

My commission expires Commission Expires 09/03/2001

Bruce N. Smith, Director
July 10, 2001
Page 1

Exhibit A
Docket No. 01S-190CP
Decision No. R01-790
July 30, 2001
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FREEDOM CABS INC.

6030 Smith Road
Denver, CO 80216

July 10, 2001

Mr. Bruce N. Smith
Director
Colorado Public Utilities Commission
1580 Logan Street, OL-2
Denver, CO 80203

Re: *Rate Increase Proposals by Denver Taxi, LLC and Boulder Taxi, LLC;*
Docket Nos. 01S-190CP and 01S-191CP

Dear Mr. Smith:

We are informed that Denver Taxi, LLC and Boulder Taxi, LLC have rate increase proposals pending before the Commission in the dockets referenced above, in which the Staff of the Commission is the only intervenor. We understand that the Commission's approval of any rate increase in these cases, or any subsequent increase in the meter rates for any other taxi company in the Denver metro area, may automatically increase the uniform DIA flat taxi rates for all such taxi companies, pursuant to 4 CCR 723-31-26.4.4. We understand the Commission is concerned about the automatic operation of that regulation on DIA flat rates in these two cases, and whenever any other taxi company contemplates a rate increase in the future. We support leaving the DIA flat rates for all companies at their current levels and agree to waive operation of that regulation in all such cases until the matter is resolved to the Commission's satisfaction.

Particularly, **Freedom Cabs, Inc.** hereby waives any right it may have to increase DIA flat rates under 4 CCR 723-31-26.4.4 as the result of any meter rate increase that may be approved for Denver Taxi or Boulder Taxi in the dockets referenced above.

Please consider this letter a motion for such a waiver under 4 CCR 723-1-59 in connection with the referenced dockets if that is necessary. We will be pleased to answer any questions the Commission may have about this matter.

Bruce N. Smith, Director
July 10, 2001
Page 2

Exhibit A
Docket No. 01S-190CP
Decision No. R01-790
July 30, 2001
Page 14 of 18

Sincerely,

Haile M.G. Gebre Michael
Haile Michael Gebre Michael
President
Freedom Cabs, Inc.

STATE OF COLORADO)
)
COUNTY OF DENVER) ss.

The foregoing letter was subscribed and sworn to as being true, accurate and correct before me this 11th day of July, 2001, by HAILE MICHAEL GEBRE MICHAEL as PRESIDENT of Freedom Cabs, Inc.

Denise Harris
Notary Public

My commission expires: 02-08-04

ZONE CAB CO.
2358 WASHINGTON STREET
DENVER, COLORADO 80205

July 10, 2001

Mr. Bruce N. Smith
Director
Colorado Public Utilities Commission
1580 Logan Street, OL-2
Denver, CO 80203

Re: *Rate Increase Proposals by Denver Taxi, LLC and Boulder Taxi, LLC; Docket Nos. 01S-190CP and 01S-191CP*

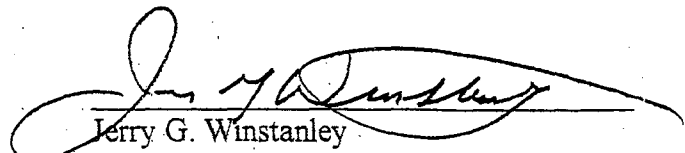
Dear Mr. Smith:

We are informed that Denver Taxi, LLC and Boulder Taxi, LLC have rate increase proposals pending before the Commission in the dockets referenced above, in which the Staff of the Commission is the only intervenor. We understand that the Commission's approval of any rate increase in these cases, or any subsequent increase in the meter rates for any other taxi company in the Denver metro area, may automatically increase the uniform DIA flat taxi rates for all such taxi companies, pursuant to 4 CCR 723-31-26.4.4. We understand the Commission is concerned about the automatic operation of that regulation on DIA flat rates in these two cases, and whenever any other taxi company contemplates a rate increase in the future. We support leaving the DIA flat rates for all companies at their current levels and agree to waive operation of that regulation in all such cases until the matter is resolved to the Commission's satisfaction.

Particularly, **Zone Cab Company** hereby waives any right it may have to increase DIA flat rates under 4 CCR 723-31-26.4.4 as the result of any meter rate increase that may be approved for Denver Taxi or Boulder Taxi in the dockets referenced above.

Please consider this letter a motion for such a waiver under 4 CCR 723-1-59 in connection with the referenced dockets if that is necessary. We will be pleased to answer any questions the Commission may have about this matter.

Sincerely,

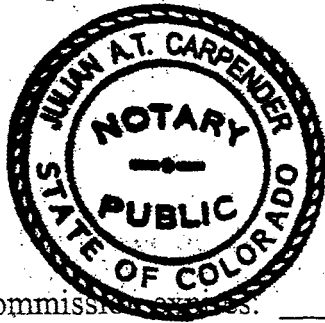

Jerry G. Winstanley
General Manager
Zone Cab Company

Bruce N. Smith, Director
July 10, 2001
Page 2

Exhibit A
Docket No. 01S-190CP
Decision No. R01-790
July 30, 2001
PAGE 16 OF 18

STATE OF COLORADO)
)
COUNTY OF DENVER) SS.

The foregoing letter was subscribed and sworn to as being true, accurate and correct before me this 10th day of July, 2001, by JERRY G. WINSTANLEY as GENERAL MANAGER of Zone Cab Company



Julian A.T. Carpenter
Notary Public

My commission expires: 9-7-2003

My Commission Expires 9/7/2003

Exhibit A
Docket No. 01S-190CP
Decision No. R01-790
July 30, 2001
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D

DENVER TAXI, LLC
d/b/a Yellow Cab

RATES

For the first 1/9 mile or fraction thereof	\$1.60	(I)
For each additional 1/9 mile or fraction thereof	\$.20	(I)
For each forty seconds of waiting time or fraction thereof subject to waiting time	\$.20	
For each forty seconds of traffic delay or fraction thereof subject to traffic delay	\$.20	
For each extra passenger over the age of 12 years	\$.40	

2.3.B. Fares for a multiple load:

Each passenger or party of a multiple load shall pay the normal shortest route fare from point of origin to his or their destination, except that such fare of \$4.00 or more (not including non-meter charges) shall be reduced by 20%. (Such reduction shall not apply to charges for pets, baggage, extra passengers or charges for out of town fares.)

2.3.C Out of town rates and fares:

Fares of one to five passengers shall be calculated by taxi-meter in plain view of the passengers. The shortest practicable route shall be used unless the passenger directs otherwise. Out of town fare rates are as follows:

Issued: , 2001

Effective: , 2001

Issued by:
Ross Alexander, President
Denver Taxi, LLC
7500 E. 41st Avenue
Denver, Colorado 80216

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF REVISED TARIFF AND CHARGES)
FOR THE TRANSPORTATION OF PASSENGERS IN)
TAXI SERVICE BETWEEN POINTS IN THE BOULDER)
AREA AND BETWEEN SAID POINTS AND DENVER) Docket No. 01S-191CP
INTERNATIONAL AIRPORT AS FILED BY BOULDER)
TAXI, LLC DBA BOULDER YELLOW CAB, IN 9TH)
REVISED PAGE NO. 6 TO PASSENGER TARIFF,)
COLORADO PUC NO. 24, SCHEDULED TO BECOME)
EFFECTIVE MAY 11, 2001.)

SETTLEMENT AGREEMENT AND
JOINT MOTION FOR APPROVAL THEREOF

Boulder Taxi, LLC ("Boulder Taxi") and the Staff of the Commission, by their respective undersigned attorneys, hereby state that they have resolved by settlement all outstanding issues in this case and jointly move the Commission to approve their settlement agreement set forth below in complete resolution of this case. In support, Boulder Taxi and the Staff submit the following:

1. Boulder Taxi filed its Letter of Transmittal proposing to revise its Colorado PUC No. 24 tariff by Ninth Revised Page 6 canceling Eighth Revised Page 6 on April 5, 2001. The filing proposed to increase the rate for the first 1/8 mile of a taxi trip (i.e., the flag drop rate) from \$1.60 to \$2.50. Notice of the filing was published advising the public that the change would "result in a maximum increase in [taxi] rates of 56%."

2. The Commission suspended the proposed increase and set it for hearing in Decision No. C01-0512 mailed May 9, 2001 ("Suspension Decision"). The Commission expressed concern about the 56.3% increase in the rate for the first 1/8 mile of a taxi trip. The

Commission also expressed concern about the operation of 4 CCR 723-31-26.4.4, which would automatically increase the uniform flat rates for service between Denver International Airport (“DIA”) and Downtown Denver, the Denver Tech Center, and Boulder, upon approval of Boulder Taxi’s proposed increase in the flag drop rate.

3. The Commission ordered the Staff to become a party to the case. The Staff entered its appearance on or about May 31, 2001.

4. The 30-day period allowed for interventions by other parties by the Suspension Decision expired on June 8, 2001. No other party intervened.

5. The Staff and Boulder Taxi have held discussions regarding all issues in this case and exchanged information since the Suspension Decision. They have also independently analyzed the issues in light of their respective interests and the public interest. They have reached a settlement agreement which they believe appropriately addresses the Commission’s concerns expressed in the Suspension Decision and will result in just and reasonable taxi rates for the public and Boulder Taxi.

6. The agreement between Boulder Taxi and the Staff has three elements. First, the flag drop rate will remain \$1.60. Second, in lieu of the proposed increase in the flag drop rate, the metered mileage rate will increase by \$0.15 from the present \$1.60 to \$1.75 per mile. The

corresponding tariff rate will be \$0.25 per 1/7 mile, which equals \$1.75 per mile.¹ Third, no change will be made in the DIA flat taxi rates for any taxi company.

7. The parties' agreement for no change in the flag drop rate addresses the Commission's concern about the magnitude of the proposed 56.3% increase in that component of the fare, including any concerns about the proposed percentage increase in the total taxi fare for short trips.

8. The overall increase in revenue resulting from the settlement, based on 2000 *pro forma* operating figures, will be \$227,622, which is equivalent to a 7.61% increase in overall fare box revenue. This will reduce Boulder Taxi's net operating ratio from 0.981 to 0.938, which the parties hereto agree is just and reasonable in this case. A detailed statement of the operating ratio calculation with and without the settlement is set forth in Exhibit A attached hereto.

9. The agreed \$0.15 increase in the metered mileage rate is 9.4% for that component of the rate. The percentage magnitude of the increase in this one rate component will be uniform regardless of the length of the taxi trip. The total fare for each taxi trip will increase no more than 9.4% for all trips, and somewhat less than 9.4% for most trips because the flag drop component of the fare will remain unchanged. In addition, the percentage increase in the total

¹To implement the \$1.75 per mile rate, the fractional mileage unit on the taxi meters must be changed to 1/7-mile to avoid setting the mileage rate at fractional cents per mile (e.g., 21 7/8 cents per 1/8-mile). This is due to the meter capability and to avoid confusing the public with a fractional cents rate. The mileage associated with the unchanged flag drop charge of \$1.60 also must be changed to 1/7-mile (from 1/8 mile) because the meters will only accept one mileage unit.

fare will be greater for longer trips than shorter trips because the additional \$0.15 per mile will apply to each additional mile as the trip proceeds.

10. The impact of the settlement increase in the mileage rate of \$0.15 per mile on the total fare for trips of various lengths is set forth on Exhibit B.

11. The settlement also addresses the Commission's concern about automatic increases in the DIA flat rates because no such increase will occur. Boulder Taxi hereby waives any rights it may have to increase its DIA flat rates pursuant to 4 CCR 723-31-26.4.4 as a result of the settled increase in the mileage rate in this case, and the contemporaneous settled increase in the mileage rate for Denver Taxi, LLC in Docket No. 01S-190CP. Similarly, Denver Taxi is waiving any right it may have to increase its DIA flat rates in the contemporaneous settlement agreement filed in that docket. In addition, the other unaffiliated taxi companies who may be eligible for such an increase, Metro Taxi, Inc., Zone Cab Company and Freedom Cabs, Inc., have all executed waivers of any right they may have to increase their DIA flat rates as a result of any metered rate increase in this case and in Denver Taxi's companion case. The executed waivers by each of those three taxi companies are attached hereto as Exhibit C and incorporated herein by this reference.²

12. Boulder Taxi and the Staff believe that their settlement of this case on the foregoing terms satisfactorily addresses the Commission's concerns which led to suspension of

²Copies of the original waiver letters from the other three taxi companies are attached hereto as Exhibit C. The originals of those letters are attached as Exhibit C to the Settlement Agreement and Joint Motion for Approval Thereof filed contemporaneously by the Staff and Denver Taxi, LLC in Docket No. 01S-190CP.

the original flag drop increase proposal for the reasons explained above. Boulder Taxi and the Staff agree that the resolution of this case set forth in this settlement agreement will result in just and reasonable rates to the public using taxi services, and therefore, jointly urge the Commission to approve this settlement.

13. Boulder Taxi and the Staff agree that this agreement has been entered into solely for the purposes of settlement and does not necessarily constitute agreement on any particular regulatory principles or ratemaking methodologies. Nothing in this agreement shall preclude either party from asserting positions, arguments and principles in future cases which may be inconsistent with those underlying their settlement agreement in this case.

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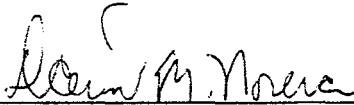
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Dated: July 17th, 2001.

Respectfully submitted,

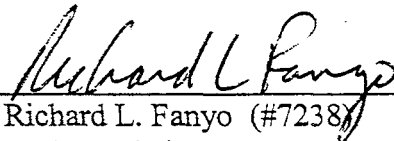
KEN SALAZAR
Attorney General



David M. Nocera (#28776)*
Assistant Attorney General
Business and Licensing Section
1525 Sherman Street, 5th Floor
Denver, CO 80203
(303) 866-5299

*Counsel of Record
Attorneys for Staff of the Public Utilities
Commission

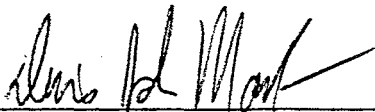
DUFFORD & BROWN, P.C.

By: 

Richard L. Fanyo (#7238)
1700 Broadway, Suite 1700
Denver, Colorado 80290-1701
(303) 861-8013

Attorneys for Boulder Taxi, LLC

TRIAL STAFF OF THE COLORADO
PUBLIC UTILITIES COMMISSION

By: 

Dennis John Maul
Rate/Financial Analyst

BOULDER TAXI, LLC

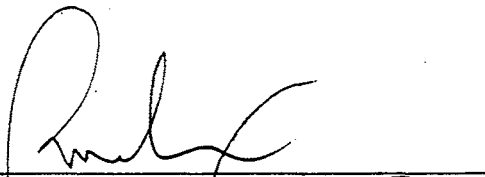
By: 
Ross Alexander
President

Exhibit B
Docket No. 01S-191CP
Decision No. R01-790
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A

Boulder Taxi				
\$1.60 Flag Drop/\$1.75 per mile				
Includes all Metered and Flat Rate trips				
Taxi Fare Box Revenue		2000	Increase	Proposed
Flag drops (217,455 trips)		347,928	No change	347,928
Time Units (638,938 units)		127,788		127,788
1/8 milage Units (12,139,792 units) @ \$.20 per unit		2,427,958		
1/ 7 milage Units (10,622,318 units) @ \$.25 per unit			227,622	2,655,580
Flat Rates (Increase Waived)		51,100	No change	51,100
Extra Passengers		26,964		26,964
Extra Baggage		1,203		1,203
Finance charges/Misc		7,154		7,154
Total Revenue		2,990,095	227,622	3,217,717
Vehicle Expense				
Parts,Supplies, Fuel, Misc.		91,142		91,142
Vehicle Licenses		9,344		9,344
Communications Expense		68,064		68,064
Insurance Expense				
Loss Provision		61,360		61,360
Premium		20,304		20,304
Claims Handling		9,600		9,600
Salary Expense		216,714	(40,000)	176,714
Other Expense				
Cab Promo Exp		2,313		2,313
Other Misc		6,130		6,130
fety and Accident Investigation		3,069		3,069
Driver Expense		2,314,270	125,192	2,439,462
SG&A Expense				
Advertising		9,260		9,260
Bad Debt		1,560		1,560
Credit Card Processing		8,997		8,997
Computer/Office Supplies		2,539		2,539
Driver/employee Meetings		104		104
Dues and Subscriptions		1,790		1,790
Insurance Commercial		4,827		4,827
Insurance Wrkmns Comp		7,776		7,776
Miscellaneous SG&A		34,475		34,475
Office/Computer Supplies		2,539		2,539
Outside Services		3,192		3,192
Printing		1,712		1,712
Property Tax		1,200		1,200
Utilities		3,964		3,964
Dep & Amort		4,917		4,917
Vehicle Expense Depreciation		43,276		43,276
Total Expenses		2,934,438	85,192	3,019,630
NOI		55,657	142,430	198,087
Ratio		0.981		0.938

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B

Impact On Traveling Public For Boulder Taxi

Metered Rate \$1.60 flag drop \$1.75/mile \$.25 per 1/7th mile

Length of trip in MILES	1/7th	1	3	5	7	7.46	10	20
	Ave Bldr Trip							
Current Fare Amount @ 1/8th mile Increments	1.60	3.00	6.20	9.40	12.60	13.20	17.40	33.40
Amount of Proposed Increase	0.00	0.10	0.40	0.70	1.00	1.15	1.45	2.95
Fare Amount with Proposed Increase (1/7th mile)	1.60	3.10	6.60	10.10	13.60	14.35	18.85	36.35
% Increase from Proposed Flag Drop	0.00%	3.33%	6.45%	7.45%	7.94%	8.7%	8.33%	8.83%

Flat Rate

DIA to/from: DT DTC BLDR

Current Flat Rate

43.00 45.00 70.00
 NO CHANGE

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C



All You Need Is Three!

P.O. Box 5028 • Denver, Colorado 80217 • 303-321-5400 • Fax 303-336-9008

July 11, 2001

Mr. Bruce N. Smith
Director
Colorado Public Utilities Commission
1580 Logan Street, OL-2
Denver, CO 80203

Re: *Rate Increase Proposals by Denver Taxi, LLC and Boulder Taxi, LLC;
Docket Nos. 01S-190CP and 01S-191CP*

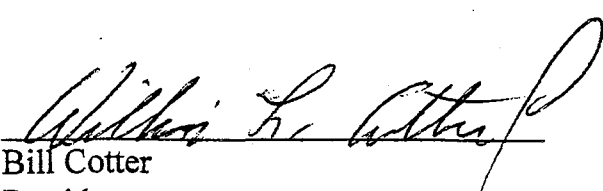
Dear Mr. Smith:

We are informed that Denver Taxi, LLC and Boulder Taxi, LLC have rate increase proposals pending before the Commission in the dockets referenced above, in which the Staff of the Commission is the only intervenor. We understand that the Commission's approval of any rate increase in these cases, or any subsequent increase in the meter rates for any other taxi company in the Denver metro area, may automatically increase the uniform DIA flat taxi rates for all such taxi companies, pursuant to 4 CCR 723-31-26.4.4. We understand the Commission is concerned about the automatic operation of that regulation on DIA flat rates in these two cases, and whenever any other taxi company contemplates a rate increase in the future. We support leaving the DIA flat rates for all companies at their current levels and agree to waive operation of that regulation in all such cases until the matter is resolved to the Commission's satisfaction.

Particularly, **Metro Taxi, Inc.** hereby waives any right it may have to increase DIA flat rates under 4 CCR 723-31-26.4.4 as the result of any meter rate increase that may be approved for Denver Taxi or Boulder Taxi in the dockets referenced above.

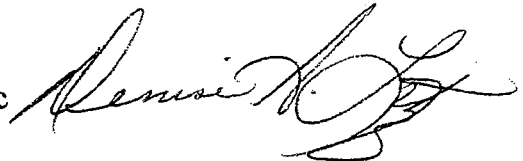
Please consider this letter a motion for such a waiver under 4 CCR 723-1-59 in connection with the referenced dockets if that is necessary. We will be pleased to answer any questions the Commission may have about this matter.

Sincerely,


Bill Cotter
President

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing letter was subscribed and sworn to as being true, accurate and correct before me this 11th day of July, 2001, by William L. Cottaris PRESIDENT of Metro Taxi, Inc.

Notary Public 

My commission expires Commission Expires 09/03/2001

Bruce N. Smith, Director
July 10, 2001
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FREEDOM CABS INC.
6030 Smith Road
Denver, CO 80216

July 10, 2001

Mr. Bruce N. Smith
Director
Colorado Public Utilities Commission
1580 Logan Street, OL-2
Denver, CO 80203

Re: *Rate Increase Proposals by Denver Taxi, LLC and Boulder Taxi, LLC;*
Docket Nos. 01S-190CP and 01S-191CP

Dear Mr. Smith:

We are informed that Denver Taxi, LLC and Boulder Taxi, LLC have rate increase proposals pending before the Commission in the dockets referenced above, in which the Staff of the Commission is the only intervenor. We understand that the Commission's approval of any rate increase in these cases, or any subsequent increase in the meter rates for any other taxi company in the Denver metro area, may automatically increase the uniform DIA flat taxi rates for all such taxi companies, pursuant to 4 CCR 723-31-26.4.4. We understand the Commission is concerned about the automatic operation of that regulation on DIA flat rates in these two cases, and whenever any other taxi company contemplates a rate increase in the future. We support leaving the DIA flat rates for all companies at their current levels and agree to waive operation of that regulation in all such cases until the matter is resolved to the Commission's satisfaction.

Particularly, **Freedom Cabs, Inc.** hereby waives any right it may have to increase DIA flat rates under 4 CCR 723-31-26.4.4 as the result of any meter rate increase that may be approved for Denver Taxi or Boulder Taxi in the dockets referenced above.

Please consider this letter a motion for such a waiver under 4 CCR 723-1-59 in connection with the referenced dockets if that is necessary. We will be pleased to answer any questions the Commission may have about this matter.

Bruce N. Smith, Director
July 10, 2001
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Sincerely,

Haile M.G. Gebre Michael
Haile Michael Gebre Michael
President
Freedom Cabs, Inc.

STATE OF COLORADO)
)
COUNTY OF DENVER) ss.

The foregoing letter was subscribed and sworn to as being true, accurate and correct before me this 11th day of July, 2001, by HAILE MICHAEL GEBRE MICHAEL as PRESIDENT of Freedom Cabs, Inc.

[Signature]
Notary Public

My commission expires: 02-08-04

ZONE CAB CO.
2358 WASHINGTON STREET
DENVER, COLORADO 80205

July 10, 2001

Mr. Bruce N. Smith
Director
Colorado Public Utilities Commission
1580 Logan Street, OL-2
Denver, CO 80203

Re: *Rate Increase Proposals by Denver Taxi, LLC and Boulder Taxi, LLC; Docket Nos. 01S-190CP and 01S-191CP*

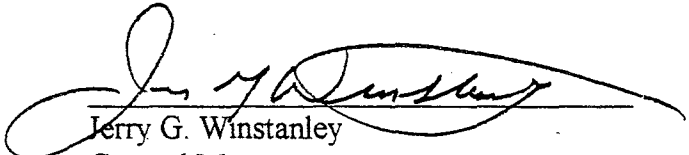
Dear Mr. Smith:

We are informed that Denver Taxi, LLC and Boulder Taxi, LLC have rate increase proposals pending before the Commission in the dockets referenced above, in which the Staff of the Commission is the only intervenor. We understand that the Commission's approval of any rate increase in these cases, or any subsequent increase in the meter rates for any other taxi company in the Denver metro area, may automatically increase the uniform DIA flat taxi rates for all such taxi companies, pursuant to 4 CCR 723-31-26.4.4. We understand the Commission is concerned about the automatic operation of that regulation on DIA flat rates in these two cases, and whenever any other taxi company contemplates a rate increase in the future. We support leaving the DIA flat rates for all companies at their current levels and agree to waive operation of that regulation in all such cases until the matter is resolved to the Commission's satisfaction.

Particularly, **Zone Cab Company** hereby waives any right it may have to increase DIA flat rates under 4 CCR 723-31-26.4.4 as the result of any meter rate increase that may be approved for Denver Taxi or Boulder Taxi in the dockets referenced above.

Please consider this letter a motion for such a waiver under 4 CCR 723-1-59 in connection with the referenced dockets if that is necessary. We will be pleased to answer any questions the Commission may have about this matter.

Sincerely,



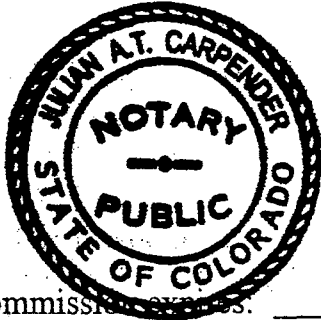
Jerry G. Winstanley
General Manager
Zone Cab Company

Bruce N. Smith, Director
July 10, 2001
Page 2

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STATE OF COLORADO)
)
) ss.
COUNTY OF DENVER)

The foregoing letter was subscribed and sworn to as being true, accurate and correct before me this 10th day of July, 2001, by JERRY G. WINSTANLEY as GENERAL MANAGER of Zone Cab Company



Julian A.T. Carpender
Notary Public

My commission expires 9-7-2003

My Commission Expires 9/7/2003

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D

Colo. P.U.C. No. 24
Boulder Yellow Cab, Inc.
Series

Ninth Revised Page 6
Cancels
Eighth Revised Page 6

BOULDER TAXI, LLC

Rates and Fares (Boulder and nine mile radius)

1. Rates for one passenger or party shall be calculated by taximeter in plain view of the passengers at the following rates:
 - 1.1 for the first 1/7 mile or fraction thereof \$1.60 (D)
 - 1.2 for each additional 1/7 mile or fraction thereof \$.25 (I)
 - 1.3 for each forty seconds of waiting time or fraction thereof, subject to paragraph 4 \$.20
 - 1.4 for each forty seconds of traffic delay or fraction thereof, subject to paragraph 8 \$.20
 - 1.5 for each additional passenger \$.40

2. Each passenger or party of a multiple load shall pay the normal shortest rate fare from point of origin to his or their destination, except that each such fare of \$2.00 or more (not including nonmeter charges) shall be reduced by 20%. (Such reduction shall not apply to charges for pets, baggage, extra passengers or charges for out of town fares.)

3. Taximeters shall be set in operation at the time the passenger enters the taxicab and shall be stopped when the taxicab is halted to discharge a passenger or party, except when waiting time is properly chargeable.

4. Waiting time means the time that a taxicab is not in motion from the time of acceptance of the passenger to the time of discharge, but does not include any time that the taxicab is not in motion due to any cause other than the request, act or fault of the passenger or passengers. Upon original call, and before the passenger takes possession of the taxicab, waiting time shall be charged only for the time in excess of three minutes that the driver is required to wait for the passenger. Such waiting time shall be calculated on the meter by use of the clock.

Issued: , 2001

Effective: , 2001

Issued by:
Ross Alexander, President
Boulder Taxi, LLC
7500 E. 41st Avenue
Denver, Colorado 80216