

(Decision No. C92-1378)

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

* * *

RE: RULES AND REGULATIONS)
GOVERNING THE OPERATION OF)
TAXICABS, 4 CCR 723-14.)
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DOCKET NO. 92R-450CP

NOTICE OF PROPOSED RULEMAKING

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ELECTIONS/LICENSING
SECRETARY OF STATE

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The purpose of this rulemaking is to encourage taxi passengers to ride together, which will save energy, reduce pollution, and use energy resources more efficiently.

The Public Utilities Commission of the State of Colorado hereby gives **NOTICE** that it proposes to:

- A) Repeal Rule 2.2, Definitions, of the Rules and Regulations Governing the Operation of Taxicabs found at 4 CCR 723-14, and adopt a new rule that will clarify the present distinction between individuals and parties traveling as a multiple load;
- B) Adopt Rule 2.4 and Rule 2.5, Definitions, of the Rules and Regulations Governing the Operation of Taxicabs found at 4 CCR 723-14, that will define the terms party and actual distance;
- C) Repeal Rule 4.2, Multiple Loading, of the Rules and Regulations Governing the Operation of Taxicabs found at 4 CCR 723-14, and adopt a new rule that will require every taxicab carrier to publish rules, regulations, and fares in its tariff which shall be applicable to multiple loading;
- D) Repeal Rule 7, Routing, of the Rules and Regulations Governing the Operation of Taxicabs found at 4 CCR 723-14, and adopt a new rule that

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will clarify that in the case of deviation from the shortest possible route, fares will be determined on the basis of the actual route directed by the passenger; and,

- E) Adopt (**FIRST ALTERNATIVE**) Rule 4.4, Rule 4.5, and Rule 4.6, Multiple Loading, of the Rules and Regulations Governing the Operation of Taxicabs found at 4 CCR 723-14, that will prescribe the method of calculation and charging reduced fares applicable to multiple load, clarify how distance will be calculated for circuitous routes, prescribe the percentage of fare reduction, and require engagement of the taxicab meter at all times from the origin to the final destination of the multiple load to determine the actual distance; or,
- F) Adopt (**SECOND ALTERNATIVE**) Rule 4.4, Rule 4.5, and Rule 4.6, as in the **FIRST ALTERNATIVE**, and in addition, prescribe percentages of fare reduction for three parties and for four or more parties of a multiple load; or,
- G) Adopt (**THIRD ALTERNATIVE**) Rule 4.4, Rule 4.5, and Rule 4.6, as in the **FIRST** and **SECOND ALTERNATIVES**, and in addition, prescribe reduced percentages of fare reductions; or,
- H) Adopt (**FOURTH ALTERNATIVE**) Rule 4.4 and Rule 4.5, that will eliminate the requirement to publish reduced fares for multiple loads, prescribe how fares and charges will be calculated in multiple loading trips, require engagement and disengagement of the taxicab meter to determine the fares applicable to parts of a multiple load trip, and require payment by the responsible party of extra charges, including extra charges for extra passengers, extra baggage, and/or waiting time.

The proposed Rule 2.2, Rule 2.4, Rule 2.5, Rule 4.2, and Rule 7 are attached to this decision as Appendix A. If the Commission adopts new rules, the existing Taxicab Rule 2.2, Rule 4.2, and Rule 7 will be concurrently repealed. The **FIRST**, **SECOND**, and **THIRD ALTERNATIVE** Rule 4.4, Rule 4.5, and Rule 4.6, and **FOURTH ALTERNATIVE** Rule 4.4 and Rule 4.5 are attached as Appendix B. It is presumed that only one **ALTERNATIVE** proposed will be adopted, or a different proposal or none will be adopted.

The purpose of these rules, if adopted, would be to modify the present definitions and rules concerning multiple loading and routing to clarify the present distinction between individuals and parties traveling as a multiple load, to clarify how distance and fares will be calculated for multiple loading trips, and to prescribe a fare structure which will provide incentives necessary to encourage multiple loading.

The Commission has received, over the several years the present rules have been in effect, various complaints, comments, and other indications that the present rules governing multiple loading are not clear, especially the distinction between individuals and parties not traveling together. The Commission has required reduced fares in multiple loading situations but has never prescribed the percentage reduction. The Commission has no rule on how parties of a multiple load will be charged. This combination of factors has resulted in various interpretations by taxicab companies and their drivers, especially on charges for circuitous routes, and some non-use of meters in multiple loading situations. Further, the present rules have not been particularly successful in encouraging multiple loading despite existing incentives. The Commission believes that the public convenience and necessity requires, and will require, multiple loading of taxicabs whenever possible for purposes of energy efficiency and reduced air pollution. Therefore, the Commission proposes amended and additional rules.

The **FIRST ALTERNATIVE** proposes, in the form of rules, that the 80 percent fare reduction presently published by several taxicab companies in their tariffs be prescribed as a uniform percentage for taxicab companies statewide, proposes that fares for circuitous routes be calculated on the basis of the shortest route distance, and requires that the taxicab meter be engaged at all times to determine actual distance.

The **SECOND ALTERNATIVE** is based upon the **FIRST ALTERNATIVE**, and proposes an 80 percent fare reduction for two parties, 70 percent for three parties, and 50 percent for four or more parties. This proposal is based upon a combination of revenue incentives to taxicab drivers to multiple load and increased incentives to passengers to multiple load by limiting total charges.

The **THIRD ALTERNATIVE** is based upon the **FIRST** and **SECOND ALTERNATIVES**, and proposes a 70 percent fare reduction for two parties, 60 percent for three parties, and 50 percent for four or more parties. This proposal is based upon Staff analysis of the incentives in multiple loading and is a compromise between the naturally conflicting driver and passenger incentives.

The **FOURTH ALTERNATIVE** proposes to eliminate percentage fare reductions for multiple loads, and in lieu thereof proposes that multiple loading be required with the parties paying the full applicable fare at each stop as the parties agree among themselves, and that each part of the trip be treated as a separate trip with disengagement and reengagement of the taxicab meter at each stop. The proposal is based upon the combination of total fares not exceeding the taxicab meter for actual distance as incentive for the passengers, but including another "flag drop" for each intermediate stop of a multiple load as incentive for the taxicab driver.

The opening of the Denver International Airport and concurrent closing of Stapleton International Airport, presently scheduled for October, 1993, requires that rulemaking be completed to facilitate the changed circumstances including increased distances, increased multiple loading, and changed economics. This will seriously impact the operations of the three Denver area taxicab companies, Metro Taxi, Inc., Yellow Cab Cooperative Association doing business as Yellow Cab, Inc., and Cabs, Inc., doing business as Dollar Cab Lines operating as Zone Cabs, Inc. The Staff of the Commission has contacted these companies and determined that they have comments and criticisms of the timing of this proposed rulemaking, and the multiple loading rate structures proposed, and may be preparing alternative proposals. Therefore, the Commission will request these companies to submit their comments and proposals at this time.

The Commission solicits comments from all interested parties, including taxicab companies, drivers, and the public in general. Specifically, the Commission is seeking input that addresses the issues of: (1) definitions for multiple loading rules, calculation of distance for multiple loading, especially for circuitous routes, and use of taxicab meters to determine actual distance; (2) direction by passengers to deviate from the shortest possible route; (3) prescription of percentage fare reductions, and the exact percentage of fare reduction to be prescribed; (4) alternatively, the elimination of percentage fare reductions, and requirement of a new fare structure for multiple loading; (5) incentives for both drivers and passengers to encourage multiple loading; and (6) rules changes for taxicabs as a consequence of the opening of Denver International Airport. The Commission also welcomes suggestions for alternate rules addressing the above issues and for other amendments and additions to the taxicab rules, generally.

The purpose of these rules, if adopted, would be to regulate common carriers by motor vehicle defined by §40-10-101(4), C.R.S., and contract carriers by motor vehicle defined by §40-11-101(3), C.R.S. These proposed rules are issued pursuant to §40-2-108, §40-10-110, and §40-11-109, C.R.S.

The Commission will provide notice of this proceeding pursuant to §24-4-103, C.R.S. Notice of the proposed rules should be given by the Secretary of State as required by §24-4-103, C.R.S., on November 10, 1992. Notice of these proposed rules will be filed with the Office of Regulatory Reform by October 30, 1992, in compliance with §24-4-103.5, C.R.S. The hearing on the proposed rules will be held before an administrative law judge on January 5, 1993, at 9 a.m.

THEREFORE THE COMMISSION ORDERS THAT:

1. The Executive Secretary shall file with the Secretary of State the necessary documents to allow for notice of the proposed Rules and Regulations Governing the Operation of Taxicabs attached to this decision as Appendices A and B. The Executive Secretary shall also give notice to all persons who have requested notice.

2. The PUBLIC HEARING for these rulemaking proceedings is set as follows:

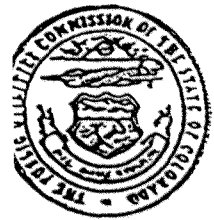
Date:	January 5, 1993
Time:	9 a.m.
Place:	Public Utilities Commission Commission Hearing Room 1580 Logan Street, OL-2 Denver, Colorado 80203

3. Persons may file written comments on and proposed modifications of the proposed rules by December 15, 1992. The Commission requests that persons proposing modifications use the legislative drafting format. An original and ten copies of all documents shall be filed.

4. Metro Taxi, Inc., Yellow Cab Cooperative Association doing business as Yellow Cab, Inc., and Cabs, Inc., doing business as Dollar Cab Lines operating as Zone Cabs, Inc., shall file written comments on and proposed modifications of the proposed rules by December 15, 1992.

5. Persons shall have an opportunity to submit written data, views, and arguments, and to present the same orally unless the Commission deems oral presentations unnecessary, at the public hearing and the Commission will consider what changes, if any, should be made to these rules.

(SEAL)



THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

ROBERT E. TEMMER

GARY L. NAKARADO

CHRISTINE E. M. ALVAREZ

Commissioners

TEST: A TRUE COPY
Ruce N. Smith
Ruce N. Smith
Executive Secretary

ORDER-MULTLOAD

BASIS AND PURPOSE, AND STATUTORY AUTHORITY

THE BASIS AND PURPOSE OF THIS RULE AND REGULATION IS TO REPEAL RULE 2.2, RULE 4.2, AND RULE 7 OF THE RULES AND REGULATIONS GOVERNING THE OPERATION OF TAXICABS FOUND AT 4 CCR 723-14 AND ADOPT NEW RULES TO GOVERN THE OPERATION OF TAXICABS. THE COMMISSION'S STATUTORY AUTHORITY FOR THESE RULES AND REGULATIONS IS §40-2-108 C.R.S.

Rule 2 - Definitions

2.2 Multiple loading means ~~individuals or two or more parties~~, not traveling together, who agree to share a cab to ~~different~~ destinations in the same area or along the route from a common origin.

2.4 Party means one or more passengers traveling from one origin to one destination at one time.

2.5 Actual distance means the distance measured by the taxicab meter, or, if the taxicab has no meter, as shown on the odometer.

Rule 4 - Multiple Loading

4.2 Every taxicab carrier shall publish rules, regulations, and ~~reduced~~ fares in its tariff which shall be applicable to multiple-loading.

Rule 7 - Routing

7.1 Passenger movement shall be by the shortest possible route between the origin and destination, provided however, that a passenger, having first been advised of the extent of deviation from the shortest possible route, may agree to an alternate route or designate the route ~~he or she wishes to be travelled~~.

7.2 Fares will be determined on the basis of the actual route directed by the passenger.

BASIS AND PURPOSE, AND STATUTORY AUTHORITY

THE BASIS AND PURPOSE OF THIS RULE AND REGULATION IS TO ADOPT NEW RULES AND REGULATIONS TO BE ADDED TO THE RULES AND REGULATIONS GOVERNING THE OPERATION OF TAXICABS FOUND AT 4 CCR 723-14. THE COMMISSION'S STATUTORY AUTHORITY FOR THESE RULES AND REGULATIONS IS §40-2-108 C.R.S.

FIRST ALTERNATIVE

Rule 4 - Multiple Loading

4.4 The first party in a multiple load to depart the taxicab shall be charged the reduced fare applicable for the actual distance from the origin to the destination of the first party. Other parties shall be charged the reduced fare applicable for the actual distance for direct routes, or the calculated shortest route distance for circuitous routes, from the origin of the multiple load to the destination of each party.

4.5 Each party of a multiple load shall be charged eighty (80) percent of the fare applicable to a single party, except that no discount shall apply to a fare of less than four dollars (\$4).

4.6 If a taxicab is equipped with a meter, the meter shall be engaged at all times from the origin to the final destination of the multiple load to determine the actual distance.

SECOND ALTERNATIVE

Rule 4 - Multiple Loading

4.4 The first party in a multiple load to depart the taxicab shall be charged the reduced fare applicable for the actual distance from the origin to the destination of the first party. Other parties shall be charged the reduced fare applicable for the actual distance for direct routes, or the calculated shortest route distance for circuitous routes, from the origin of the multiple load to the destination of each party.

4.5 Each of two parties of a multiple load shall be charged eighty (80) percent of the fare applicable to a single party. Each of three parties shall be charged seventy (70) percent of the fare applicable. Each of four or more parties shall be charged fifty (50) percent of the fare applicable.

4.6 If a taxicab is equipped with a meter, the meter shall be engaged at all times from the origin to the final destination of the multiple load to determine the actual distance.

THIRD ALTERNATIVE

Rule 4 - Multiple Loading

4.4 The first party in a multiple load to depart the taxicab shall be charged the reduced fare applicable for the actual distance from the origin to the destination of the first party. Other parties shall be charged the reduced fare applicable for the actual distance for direct routes, or the calculated shortest route distance for circuitous routes, from the origin to the destination of each party.

4.5 Each of two parties of a multiple load shall be charged seventy (70) percent of the fare applicable to a single party. Each of three parties shall be charged sixty (60) percent of the fare applicable. Each of four or more parties shall be charged fifty (50) percent of the fare applicable.

4.6 If a taxicab is equipped with a meter, the meter shall be engaged at all times from the origin to the final destination of the multiple load to determine the actual distance.

FOURTH ALTERNATIVE

Rule 4 - Multiple Loading

4.4 The driver shall inform all parties to a multiple load of the fare applicable for the actual distance from the origin to the destination of the first party, and the estimated fares applicable for subsequent parts of the whole trip. The taxicab meter, if the taxicab has a meter, shall be disengaged upon arrival at the destination of each party and payment of the fare, and reengaged upon departure to the next destination. The parties may arrange among themselves a plan of payment to the driver, but in the absence of any arrangement, each party shall be responsible for payment of the full fare at the time of departure from the taxicab. The fare applicable for the second party in a multiple load, and any subsequent parties, shall be calculated in the same manner as the first party's fare.

4.5 The party responsible shall pay any extra charges applicable, including charges for extra passengers, extra baggage, and/or waiting time.