

# Regulatory Analysis Form

(Completed by Promulgating Agency)



# IRRC

Independent Regulatory Review Commission

## SECTION I: PROFILE

(1) Agency:

Pennsylvania Public Utility Commission

(2) Agency Number: Docket No. L-2008-2057661

Identification Number: 57-267

IRRC Number:

2825

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(3) Short Title:

Streamlining the Rate Increase Procedures for Small Motor Carriers

(4) PA Code Cite: 52 Pa. Code §§ 23.1, 23.68 and 23.69

(5) Agency Contacts (List Telephone Number, Address, Fax Number and Email Address):

Primary Contact: David E. Screven, Assistant Counsel, P.O. Box 3265 Harrisburg, PA 17105, 717-787-2126 dscreven@state.pa.us

Secondary Contact: Michael Hoffman, Bureau of Transportation and Safety, P.O. Box 3265, Harrisburg, PA 17105 (717) 783-5010 michoffman@state.pa.us

(6) Primary Contact for Public Comments (List Telephone Number, Address, Fax Number and Email Address) – Complete if different from #5:

(All Comments will appear on IRRC'S website)

(7) Type of Rulemaking (check applicable box):

- Proposed Regulation
- Final Regulation
- Final Omitted Regulation
- Emergency Certification Regulation;
  - Certification by the Governor
  - Certification by the Attorney General

## Regulatory Analysis Form

(8) Briefly explain the regulation in clear and nontechnical language. (100 words or less)

The proposed regulations streamline or simplify the current procedures for rate increase requests submitted by motor carriers of passengers with gross operating revenues less than \$500,000. The proposed regulations permit a small motor passenger carrier to request a revenue increase each year without filing detailed, supporting financial information, other than 1) total gross annual intrastate revenue for the most recent fiscal year, 2) the dollar amount of increased revenue that the projected rate increase is expected to produce, 3) the total projected operating revenue after the revenue increase, 4) the total projected operating expenses, and 5) the resulting operating ratio. Lastly, the proposed regulations establish a 1-year stay-out provision for small motor passenger carriers that prohibits them from requesting another increase in rates for 1 year following a prior Commission-approved rate increase.

(9) Include a schedule for review of the regulation including:

- A. The date by which the agency must receive public comments:       n/a
- B. The date or dates on which public meetings or hearings will be held:       n/a
- C. The expected date of promulgation of the proposed regulation as a final-form regulation:       2011
- D. The expected effective date of the final-form regulation:       upon publication
- E. The date by which compliance with the final-form regulation will be required:       upon publication
- F. The date by which required permits, licenses or other approvals must be obtained:       n/a

(10) Provide the schedule for continual review of the regulation.

Not applicable.

**SECTION II: STATEMENT OF NEED**

(11) State the statutory authority for the regulation. Include specific statutory citation.

66 Pa. C.S. §§ 501(b), 1301 and 1308

(12) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as, any deadlines for action.

Not applicable.

(13) State why the regulation is needed. Explain the compelling public interest that justifies the regulation. Describe who will benefit from the regulation. Quantify the benefits as completely as possible and approximate the number of people who will benefit.

Motor carriers are required to provide detailed financial information to support their applications for rate increases. The failure to have all of the appropriate operational and financial records in order to support the rate increase case often results in the outright denial of the rate increase because the carrier has failed to provide the required financial documentation. It appears that their unfamiliarity with the Commission's regulatory ratemaking process in general is one of the main obstacles for small motor passenger carriers when requesting rate increases. This lack of expertise with the ratemaking process generally results in lengthy delays in disposing of a carrier's proposed increase in rates. Many such carriers have had to contract with consultants or tariff agents in order to guide them through the process, which is an added expense for such carriers.

## Regulatory Analysis Form

(14) If scientific data, studies, references are used to justify this regulation, please submit material with the regulatory package. Please provide full citation and/or links to internet source.

Not applicable.

(15) Describe who and how many will be adversely affected by the regulation. How are they affected?

No person or entity will be adversely affected by this regulation. In short, the regulations just streamline the ratemaking process for small motor passenger carriers.

(16) List the persons, groups or entities that will be required to comply with the regulation. Approximate the number of people who will be required to comply.

All motor carriers of passengers with gross operating revenues less than \$500,000 will be required to comply with this regulation, such as paratransit operators and taxicab operators. There are approximately six hundred jurisdictional small motor passenger carriers certificated to do business in Pennsylvania that will be subject to this rulemaking.

**SECTION III: COST AND IMPACT ANALYSIS**

(17) Provide a specific estimate of the costs and/or savings to the **regulated community** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

There may be implementation and training costs incurred by jurisdictional utilities in relation to these provisions. However, such costs are expected to be minimal.

(18) Provide a specific estimate of the costs and/or savings to **local governments** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

Not applicable.

(19) Provide a specific estimate of the costs and/or savings to **state government** associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required. Explain how the dollar estimates were derived.

The Commission will not incur any incremental costs as a result of this regulation.

## Regulatory Analysis Form

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
<b>SAVINGS:</b>	\$	\$	\$	\$	\$	\$
<b>Regulated Community</b>						
<b>Local Government</b>	N/A					
<b>State Government</b>						
<b>Total Savings</b>						
<b>COSTS:</b>						
<b>Regulated Community</b>						
<b>Local Government</b>	N/A					
<b>State Government</b>						
<b>Total Costs</b>						
<b>REVENUE LOSSES:</b>						
<b>Regulated Community</b>						
<b>Local Government</b>	N/A					
<b>State Government</b>						
<b>Total Revenue Losses</b>						

(20a) Provide the past three year expenditure history for programs affected by the regulation.  
Not measurable at this time.

Program	FY -3	FY -2	FY -1	Current FY

## Regulatory Analysis Form

(21) Explain how the benefits of the regulation outweigh any cost and adverse effects.

The benefits of the regulation to the competitiveness and operation of the small motor carriers outweigh any associated costs.

(22) Describe the communications with and input from the public and any advisory council/group in the development and drafting of the regulation. List the specific persons and/or groups who were involved.

Not applicable.

(23) Include a description of any alternative regulatory provisions which have been considered and rejected and a statement that the least burdensome acceptable alternative has been selected.

Not applicable.

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulations.

Not applicable.

(25) How does this regulation compare with those of other states? How will this affect Pennsylvania's ability to compete with other states?

Comparable regulations with other states were not found. However, the rulemaking should not put Pennsylvania at a competitive disadvantage with other states.

## Regulatory Analysis Form

(26) Will the regulation affect any other regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No.

(27) Submit a statement of legal, accounting or consulting procedures and additional reporting, recordkeeping or other paperwork, including copies of forms or reports, which will be required for implementation of the regulation and an explanation of measures which have been taken to minimize these requirements.

Not applicable.

(28) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

Not applicable.



**FACE SHEET  
FOR FILING DOCUMENTS  
WITH THE LEGISLATIVE REFERENCE BUREAU**

**(Pursuant to Commonwealth Documents Law)**

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2011 APR 20 P 12:52

DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to form and legality. Attorney General.

BY \_\_\_\_\_  
(DEPUTY ATTORNEY GENERAL)

\_\_\_\_\_  
DATE OF APPROVAL

Check if applicable  
Copy not approved. Objections attached

Copy below is hereby certified to be true and correct copy of a document issued, prescribed or promulgated by:

Pennsylvania Public Utility Commission  
(AGENCY)

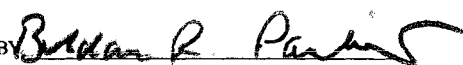
DOCUMENT/FISCAL NOTE NO. L-2008-2057661/57-267

DATE OF ADOPTION December 2, 2010  


BY \_\_\_\_\_  
Rosemary Chiavetta

TITLE Secy  
(SECRETARY)

Copy below is hereby approved as to form and legality. Executive or independent Agencies.

BY   
Bohdan R. Pankiw  
Chief Counsel

12-2-2010  
DATE OF APPROVAL

Check if applicable. No Attorney General approval or objection within 30 days after submission.

L-2008-2057661/57-267  
Final Rulemaking  
Streamlining the Rate Increase Procedures for  
Small Motor Passenger Carriers  
52 Pa. Code, Chapter 23

The Pennsylvania Public Utility Commission on December 2, 2010, adopted a final rulemaking order which streamlines the current procedures for rate increase requests submitted by motor carriers of passengers with gross operating revenues less than \$500,000. The contact persons are Michael Hoffman, T&S, 783-5010 and David Screven, Law Bureau, 787-2126.



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE  
REFER TO OUR FILE

April 20, 2011

Re: Final Rulemaking Streamlining the Rate Increase Procedures for Small Motor  
Passenger Carriers  
**L-2008-2057661/57-267**

**To Whom It May Concern:**

This Secretarial letter serves as a clarification to the Final Rulemaking Order at L-2008-2057661/57-267. There appears to be a potential ambiguity between section 23.69 of the final regulations and the Preamble as it pertains to the one year stay-out provision. In the Preamble, we stated that “[w]e note that a small passenger carrier who utilizes the stream-lined rate process and is granted a rate increase, could request another rate increase previous to the expiration of the one-year stay out provision by filing a general rate increase that complies with the provisions of 66 Pa. C.S., Section 1308, and 52 Pa. Code, Sections 23.61 to 23.64.” See p. 6 of the *Final Rulemaking Order*. This was not clearly stated at section 23.69 of the final regulations. In order to clarify this perceived ambiguity, we will modify section 23.69. Accordingly, we amend section 23.69 as follows:

**§ 23.69. Stay-out provision.**

A small passenger carrier will not be permitted to request another increase in rates or operating revenues under section 23.68 from the Commission for 1 year following a prior Commission approved rate increase under section 23.68. A small passenger carrier with gross intrastate operating revenues of less than \$500,000, but with an operating ratio that is 93% or above, shall be excepted from this 1 year stay-out restriction.

The new language is underlined. This is not a substantive change to this section of the final regulations, but rather is only a clarification that a carrier is not permitted to request a rate increase utilizing the streamlined procedures for one year following an approved rate increase under those same procedures. This clarification is consistent with the Preamble’s discussion regarding the one year stay-out provision.

Sincerely,

Rosemary Chiavetta

cc: Sherri Delbiondo, Regulatory Review Coordinator

## EXECUTIVE SUMMARY

L-2008-2057661/57-267  
Final Rulemaking for  
Streamlining the Rate Increase Procedures  
for Small Motor Carriers  
52 Pa. Code, Chapter 23

The Commission acknowledges that some small motor carriers of passengers have had difficulty keeping the detailed business records needed in order to amend their tariffs for the purpose of raising rates and operating revenues. The Commission believes it is appropriate to streamline or simplify the current procedures for rate increase requests submitted by small motor passenger carriers with gross operating revenues less than \$500,000. Accordingly, based upon our experience with small motor passenger carriers, and our recent analysis of rate increase cases filed by them, the Commission amends our existing regulations at Chapter 23 of the *Pennsylvania Code*, which govern common carriers and establish the procedures for rate increase filings.

The Commission amends our existing regulations in order to simplify the rate process for small motor passenger carriers in the following manner:

1. Define small motor carrier of passengers by gross operating revenue. The Commission opines that the gross intrastate operating revenue threshold for the classification of a “small” carrier shall be less than \$500,000.
2. Permit a small motor passenger carrier (i.e. gross intrastate operating revenue less than \$500,000) to request a revenue increase each year without filing detailed, supporting financial information, other than: 1) total gross annual intrastate revenue for the most recent fiscal year, 2) the dollar amount of increased revenue that the projected rate increase is expected to produce, 3) the total projected operating revenue after the revenue increase, 4) the total projected operating expenses, and 5) the resulting operating ratio.

3. Establish a 1-year stay-out provision for small motor passenger carriers that prohibits them from requesting another increase in rates for one year following a prior Commission-approved rate increase. An exception to the 1-year stay-out provision permitting carriers to come in for an increase more often would be included for small carriers with operating ratios above 93%.

The contact persons are Assistant Counsel David E. Screven, Law Bureau, (717) 787-2126 and Michael Hoffman, Director of the Bureau of Transportation and Safety (717) 783-5010.

**PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA 17105-3265**

Public Meeting held December 2, 2010

Commissioners Present:

James H. Cawley, Chairman  
Tyrone J. Christy, Vice Chairman, Statement  
John F. Coleman, Jr.  
Wayne E. Gardner  
Robert F. Powelson

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

Docket No. L-2008-2057661

**FINAL RULEMAKING ORDER**

**BY THE COMMISSION:**

The Commission believes it is appropriate to streamline or simplify the current procedures for rate increase requests submitted by motor carriers of passengers with gross operating revenues less than \$500,000. Accordingly, this order constitutes the final rulemaking which amends our existing regulations at Chapter 23 of the *Pennsylvania Code* that governs common carriers and establishes the procedures for rate increase filings.

**BACKGROUND**

The Commission, at its public meeting held April 24, 1987, issued an Order at Docket L-860014 adopting revisions to its existing regulations governing motor carrier filing requirements for proposed increases in rates and operating revenues at 52 Pa. Code

§§ 23.63 and 23.64. The amendments required motor carriers to file additional information such as income and expense statements, total interstate and intrastate passenger miles and statements generated from terminals and facilities for the preceding 12 months when proposed rate changes or proposed revenue increase requests were filed with the Commission. The Commission adopted these revised regulations in order to elicit information from carriers that would enable the Commission to process rate matters promptly.

By Order entered January 23, 2009, the Commission initiated this instant rulemaking for the purposes of streamlining the current procedures for rate increase requests submitted by motor carriers of passengers with gross operating revenues less than \$500,000. Our current rules require motor carriers to provide detailed financial information to support their applications for rate increases. The Commission noted that some small motor carriers of passengers have had difficulty keeping the detailed business records needed in order to amend their tariffs for the purpose of raising rates and operating revenues. The Commission further noted that this lack of expertise with the ratemaking process generally resulted in lengthy delays in disposing of a carrier's proposed increase in rates. The *Proposed Rulemaking Order* was published on March 20, 2010, in the *Pennsylvania Bulletin* at 40 *Pa.B.* 1531. IRRC filed comments to the proposed regulations. No public comments were filed.

## **DISCUSSION**

The Commission's existing rules at 52 Pa. Code §§ 23.63 and 23.64 governing motor carrier requests for increases in rates and operating revenues, require motor carriers to file additional information such as income and expense statements, total interstate and intrastate passenger miles and statements generated from terminals and facilities for the preceding 12 months when proposed rate changes or proposed revenue increase requests were filed with the Commission. Nevertheless, some of the "smaller" motor passenger

carriers have had difficulty keeping the detailed business records needed in order to support their efforts to amend their tariffs for the purposes of raising rates and increasing carrier revenue. The failure to have all of the appropriate operational and financial records in order to support the rate increase case often resulted in the outright denial of the rate increase because the carrier failed to provide the required financial documentation. Thus, this lack of expertise and unfamiliarity with the Commission's regulatory ratemaking process in general is one of the main obstacles for small motor passenger carriers when requesting rate increases. Moreover, many such carriers have had to contract with consultants or tariff agents in order to guide them through the process, which is an added expense for such carriers.

Based upon our experience with small motor passenger carriers, and our recent analysis of rate increase cases filed by them, we proposed to amend our existing regulations in order to establish a new stream-lined rate procedure that will allow small motor passenger carriers with gross operating revenues of less than \$500,000 the opportunity to obtain a revenue increase without complying with each of the provisions of section 23.64. We shall discuss the proposed regulation section by section.

### **Section 23.1 Definitions**

The Commission proposed to incorporate the new terms "small motor carrier of passengers" and "operating ratio" into the existing section 23.1 of the Code. No comments were received to this section.

## **Resolution**

In this section of the proposed regulation, we attempted to bring clarification and scope to the term “small motor carrier of passengers.” We determined that it would be appropriate to use an objective measure to define what entities are “small” motor carriers and that the gross operating revenues they receive was an appropriate means. We further determined that the gross intrastate operating revenue threshold for the classification of a “small” carrier shall be less than \$500,000. We also defined the term “operating ratio.” Since no comments were filed, we will incorporate these new definitions into section 23.1 of the Code.

### **Section 23.68. Filing requirements for small passenger carriers.**

This section of the proposed regulation permits a small motor passenger carrier (i.e. gross intrastate operating revenue less than \$500,000) to request a revenue increase each year without filing detailed, supporting financial information, other than: 1) total gross annual intrastate revenue for the most recent fiscal year, 2) the dollar amount of increased revenue that the projected rate increase is expected to produce, 3) the total projected operating revenue after the revenue increase, 4) the total projected operating expenses, and 5) the resulting operating ratio. No comments were filed in response to this section.

## **Resolution**

The sole purpose of this rulemaking is to reduce the detailed business records that many unsophisticated, smaller motor carriers have to maintain and present to us when requesting a rate increase. We have defined “small motor passenger carriers” based upon their operating revenues (in this case less than \$500,000). Because of the operating



revenue of the smaller companies, it may not be necessary for the carrier to present certain information to the Commission. We believe a comparable analogy is that there are different tax forms for individuals that request certain information from them based upon their gross income and overall assets, e.g., 1040EZ, 1040A, etc. Not every person has to submit the same financial information to the IRS. The PUC is attempting to establish less burdensome requirements for small carriers by requiring them to: 1) maintain a more simplistic record keeping system, and 2) allow these operators to make their own rate case presentation by requiring straightforward income and expense information from carriers that still permits the Commission to determine if the revenue increase developed from the proposed raise in rates is justified for the carrier and reasonable for the public. Since no comments were received in response to the section, we will incorporate the proposed section 23.68 in the final-form regulation.

***Section 23.69. Stay-out provision.***

This proposed section establishes a one-year stay-out provision which prohibits small motor passenger carriers from requesting another increase in rates for one year following a prior Commission-approved rate increase. An exception to the one-year stay-out provision permitting carriers to come in for an increase more often would be included for small carriers with operating ratios above 93%.

**Comments**

IRRC filed comments to this proposed section. IRRC states that in response to question 11 of the Regulatory Analysis Form, the Commission cites 66 Pa. C.S. §§ 1301 and 1308 as the statutory authority for this regulation. IRRC notes that section 1301 of the Public Utility Code (Code), 66 Pa. C.S. §1301, requires rates to be reasonable.

Additionally, IRRC further notes that section 1308 of the Code, 66 Pa. C.S. § 1308 addresses voluntary changes in rates. IRRC states that the Commission did not cite any direct statutory authority for the one-year stay-out requirement. IRRC suggest that if the Commission is unable to establish direct authority for the stay-out provision, it should delete it.

### **Resolution**

The stay-out provision was instituted so that carriers cannot use the streamlined rate procedure more than once in a short time period, i.e., one year. The Commission has made this a condition for a motor carrier that elects to seek a rate increase by using the streamlined procedures. We have the statutory authority to impose this condition (the stay-out provision) under section 501 of the Code, 66 Pa. C.S § 501 (b). We note that a small passenger carrier who utilizes the stream-lined rate process and is granted a rate increase, could request another rate increase previous to the expiration of the one-year stay out provision by filing a general rate increase that complies with the provisions of 66 Pa. C.S., Section 1308, and 52 Pa. Code, Sections 23.61 to 23.64. They just could not use the stream-lined rate procedure set forth in the regulations. Accordingly, we will incorporate this proposed section in the final-form regulation.

### **CONCLUSION**

Consistent with our authority and obligations under the Public Utility Code, particularly, 66 Pa. C.S. §§ 501, 1301 and 1308, the Commission is establishing rules and regulations that establish a new stream-lined rate procedure that will allow small motor passenger carriers with gross operating revenues of less than \$500,000 the opportunity to obtain a revenue increase without complying with each of the provisions of section 23.64 of the *Pennsylvania Code*. Accordingly, under sections 501 and 1501 of the Public Utility Code (66 Pa. C.S. §§ 501 and 1501); sections 201 and 202 of the act of July 31,

1968 (P. L. 769 No. 240) (45 P. S. §§ 1201 and 1202) and the regulations promulgated thereunder, 1 Pa. Code §§ 7.1, 7.2 and 7.5; section 204(b) of the Commonwealth Attorneys Act (71 P. S. § 732.204(b)); section 745.5 of the Regulatory Review Act (71 P. S. § 745.5); and section 612 of The Administrative Code of 1929 (71 P. S. § 232), and the regulations promulgated thereunder at 4 Pa. Code §§ 7.231--7.235, we find that the regulations set forth in Annex A should be approved; **THEREFORE,**

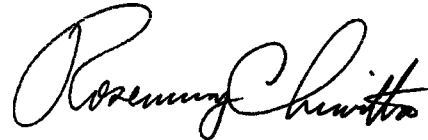
**IT IS ORDERED:**

1. That the Secretary shall serve a copy of this Order and Annex A upon the Office of Consumer Advocate, the Office of Small Business Advocate, the Office of Trial Staff, and all jurisdictional small motor passenger carriers.
2. That the Secretary shall certify this order and Annex A and deposit them with the Legislative Bureau for publication in the *Pennsylvania Bulletin*.
3. That the Secretary shall submit this order and Annex A to the Office of Attorney General for approval as to legality.
4. That the Secretary shall submit this order and Annex A to the Governor's Budget Office for review of fiscal impact.
5. That the Secretary shall submit this order and Annex A for review by the designated standing committees of both houses of the General Assembly, and for review and approval by the Independent Regulatory Review Commission.

6. That the final regulations become effective upon publication in the *Pennsylvania Bulletin*.

7. That the contact persons for this final-form rulemaking are David E. Screven, Assistant Counsel, (717) 787-2126 (legal) and Michael Hoffman, (717) 783-5010 (technical). Alternate formats of this document are available to persons with disabilities and may be obtained by contacting Sherri DelBiondo, Regulatory Coordinator, Law Bureau, (717) 772-4597.

**BY THE COMMISSION**

A handwritten signature in black ink, appearing to read "Rosemary Chiavetta". The signature is written in a cursive style with a large initial "R".

Rosemary Chiavetta  
Secretary

(SEAL)

ORDER ADOPTED: December 2, 2010

ORDER ENTERED: December 6, 2010

Annex A

TITLE 52. PUBLIC UTILITIES

PART I. PUBLIC UTILITY COMMISSION

Subpart B. CARRIERS OF PASSENGERS OR PROPERTY

CHAPTER 23. TARIFFS FOR COMMON CARRIERS

GENERAL PROVISIONS

§ 23.1. Definitions and applicability.

(a) *Definitions.* The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

\* \* \* \* \*

*Operating ratio*—The operating ratio at present rates shall be calculated as a ratio of intrastate operating expenses to intrastate operating revenues, where the numerator includes operations and maintenance expense, annual depreciation, applicable taxes, and the denominator consists of the utility's intrastate operating revenues at present rates, including all surcharges.

\* \* \* \* \*

*Small passenger carrier*—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 intrastate operating revenues of less than \$500,000.

\* \* \* \* \*

NOTICE OF CHANGES IN FARES

§ 23.68. Filing requirements for small passenger carriers.

Small passenger carriers with gross annual intrastate revenue of less than \$500,000 need not file the substantiating data required under § 23.64 (relating to data required in filing increases in operating revenues) when requesting an increase in rates, but shall submit a statement with the tariff or tariff supplement stating the following:

(1) The information required under § 23.63 (relating to data required in filing proposed rate changes).

- (2) The total gross annual intrastate revenue for the most recent fiscal year.
- (3) The dollar amount of increased annual revenue that the rate increase is expected to produce.
- (4) The total projected operating revenue after the revenue increase.
- (5) The total projected operating expenses.
- (6) The projected operating ratio.

**§ 23.69. Stay-out provision.**

A small passenger carrier will not be permitted to request another increase in rates or operating revenues UNDER SECTION 23.68 from the Commission for 1 year following a prior Commission approved rate increase UNDER SECTION 23.68. A small passenger carrier with gross intrastate operating revenues of less than \$500,000, but with an operating ratio that is 93% or above, shall be excepted from this 1 year stay-out restriction.



COMMONWEALTH OF PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
400 NORTH STREET  
HARRISBURG, PA 17120  
April 20, 2011

ROBERT F. POWELSON  
CHAIRMAN

The Honorable Arthur Coccodrilli  
Chairman  
Independent Regulatory Review Commission  
14th Floor, Harristown II  
333 Market Street  
Harrisburg, PA 17101

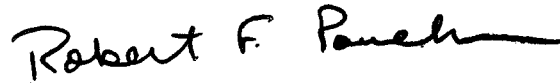
Re: L-2008-2057661/57-267  
Final Rulemaking  
Streamlining the Rate Increase  
Procedures for Small Motor  
Passenger Carriers  
52 Pa. Code, Chapter 23

Dear Chairman Coccodrilli:

Enclosed please find one (1) copy of the regulatory documents concerning the above-captioned rulemaking. Under Section 745.5(a) of the Regulatory Review Act, the Act of June 30, 1989 (P.L. 73, No. 19) (71 P.S. §§745.1-745.15) the Commission, on March 4, 2010, submitted a copy of the Notice of Proposed Rulemaking to IRRC, the House Committee on Consumer Affairs and Senate Consumer Protection and Professional Licensure Committee. This notice was published at 40 *Pa.B.* 1531 on March 20, 2010. No public comments were filed to this rulemaking.

In preparing this final form rulemaking, the Commission has considered comments received from IRRC.

Very truly yours,

A handwritten signature in black ink that reads "Robert F. Powelson". The signature is written in a cursive style with a long, sweeping underline.

Robert F. Powelson  
Chairman

Enclosures

pc: The Honorable Robert M. Tomlinson  
The Honorable Lisa Boscola  
The Honorable Robert Godshall  
The Honorable Joseph Preston, Jr.  
Legislative Affairs Director Perry  
Chief Counsel Pankiw  
Assistant Counsel Screven  
Mr. Hoffman  
Regulatory Coordinator DelBiondo



TRANSMITTAL SHEET FOR REGULATIONS SUBJECT  
TO THE REGULATORY REVIEW ACT

ID Number: L-2008-2057661/57-267

Subject: Rulemaking To Streamline the Rate Increase  
Procedures for Small Motor Passenger Carriers

Pennsylvania Public Utility Commission

TYPE OF REGULATION

- \_\_\_\_\_ Proposed Regulation
- \_\_\_\_\_ Final Regulation with Notice of Proposed Rulemaking Omitted.
- X  Final Regulation
- \_\_\_\_\_ 120-day Emergency Certification of the Attorney General
- \_\_\_\_\_ 120-day Emergency Certification of the Governor

RECEIVED  
IRRC  
2011 APR 20 P 12:42

FILING OF REPORT

<u>Date</u>	<u>Signature</u>	<u>Designation</u>
4-20-11	Jane M. Hugan	HOUSE COMMITTEE (Godshall) Consumer Affairs
4/20/11	Mary Walmer	SENATE COMMITTEE (Tomlinson) Consumer Protection and Professional Licensure
4/20/11	St. Belmont	Independent Regulatory Review Commission
_____	_____	Attorney General
_____	_____	Legislative Reference Bureau