

RE:

STATE OF CONNECTICUT

DEPARTMENT OF TRANSPORTATION



2800 BERLIN TURNPIKE, P.O. BOX 317546 NEWINGTON, CONNECTICUT 06131-7546 Phone:

(860) 594-2875

DOCKET NO. 1109-R-91-T

PETITION OF REGULATORY AND COMPLIANCE TO INCREASE THE TAXICAB METER RATES IN ANDOVER, ANSONIA, ASHFORD, AVON, BARKHAMSTED, BEACON FALLS, BERLIN, BETHANY, BETHEL, BETHLEHEM, BLOOMFIELD, BOLTON, BOZRAH, BRANFORD, BRIDGEPORT, BRIDGEWATER, BRISTOL, BROOKFIELD, BROOKLYN, BURLINGTON, CANAAN, CANTERBURY, CANTON, CHAPLIN, CHESHIRE, CHESTER, CLINTON, COLEBROOK, COLCHESTER, COLUMBIA, CORNWALL, COVENTRY, CROMWELL, DANBURY, DEEP RIVER, DERBY, DURHAM, EAST HAMPTON, EAST GRANBY, EAST HADDAM, EAST HARTFORD, EAST HAVEN, EAST LYME, EAST WINDSOR, EASTON, ELLINGTON, ENFIELD, ESSEX, FAIRFIELD, FARMINGTON, FRANKLYN, GLASTONBURY, GOSHEN, GRANBY, GRISWOLD, GROTON, GUILFORD, HADDAM, HAMDEN, HAMPTON, HARTFORD, HARTLAND, HARWINTON, HEBRON, KENT, KILLINGLY, KILLINGWORTH, LEBANON, LEDYARD, LISBON, LITCHFIELD, LYME, MADISON, MANCHESTER, MANSFIELD, MARBOROUGH, MERIDEN, MIDDLEBURY, MIDDLETOWN, MIDDLEFIELD, MILFORD, MONROE. MONTVILLE, MORRIS. NAUGATUCK, NEW BRITAIN, NEW FAIRFIELD, NEW HARTFORD, NEW HAVEN, NEW LONDON, NEW MILFORD, NEWINGTON, NEWTOWN, NORWALK, NORFOLK, NORTH BRANFORD, NORTH CANAAN, NORTH GRANBY, NORTH HAVEN, NORTH STONINGTON, NORWICH, OLD LYME, OLD SAYBROOK, ORANGE, OXFORD, PLAINFIELD, PLAINVILLE, PLYMOUTH, POMFRET, PORTLAND, PRESTON, PROSPECT, PUTNAM, REDDING, RIDGEFIELD, ROCKY HILL, ROXBURY, SALEM, SAILSBURY, SCOTLAND, SEYMOUR, SHARON, SHELTON, SHERMAN, SIMSBURY, SOMERS, SOUTH WINDSOR, SOUTHBURY, SOUTHINGTON, SPRAGUE, STAFFORD, STERLING, STONINGTON, STRATFORD, SUFFIELD, THOMASTON, THOMPSON, TOLLAND, TORRINGTON, TRUMBULL, UNION, VERNON, VOLUNTOWN, WALLINGFORD, WARREN, WASHINGTON, WATERBURY, WATERFORD, WATERTOWN, WEST HARTFORD, WEST HAVEN, WESTBROOK, WETHERSFIELD, WILLINGTON, WINCHESTER, WINDHAM, WINDSOR, WINDSOR LOCKS, WOLCOTT, WOODBRIDGE, WOODBURY AND WOODSTOCK.

Final Decision

January 6, 2012

I. INTRODUCTION

A. PETITIONER'S PROPOSAL

By petition filed on October 20, 2011, with the Department of Transportation (hereinafter "department"), pursuant to Section 13b-96 of the Connecticut General Statutes, the Regulatory and Compliance Unit of the Department of Transportation (hereinafter "petitioner"), seeks authorization to increase the taxicab meter rate in the following towns:

ANDOVER, ANSONIA, ASHFORD, AVON, BARKHAMSTED, BEACON FALLS, BERLIN, BETHANY, BETHEL, BETHLEHEM, BLOOMFIELD, BOLTON, BOZRAH, BRANFORD, BRIDGEPORT, BRIDGEWATER, BRISTOL, BROOKFIELD, BROOKLYN, BURLINGTON, CANAAN, CANTERBURY, CANTON, CHAPLIN, CHESHIRE, CHESTER, CLINTON, COLEBROOK, COLCHESTER, COLUMBIA, CORNWALL, COVENTRY, CROMWELL, DANBURY, DEEP RIVER, DERBY, DURHAM, EAST HAMPTON, EAST GRANBY, EAST HADDAM, EAST HARTFORD, EAST HAVEN, EAST LYME, EAST WINDSOR, EASTON, ELLINGTON, ENFIELD, ESSEX, FAIRFIELD, FARMINGTON, FRANKLYN, GLASTONBURY, GOSHEN, GRANBY, GRISWOLD, GROTON, GUILFORD, HADDAM, HAMDEN, HAMPTON, HARTFORD, HARTLAND, HARWINTON, HEBRON, KENT, KILLINGLY, KILLINGWORTH, LEBANON, LEDYARD, LISBON, LITCHFIELD, LYME, MADISON, MANCHESTER, MANSFIELD, MARBOROUGH, MERIDEN, MIDDLEBURY, MIDDLEFIELD, MIDDLETOWN, MILFORD, MONROE, MONTVILLE, MORRIS, NAUGATUCK, NEW BRITAIN, NEW FAIRFIELD, NEW HARTFORD, NEW HAVEN, NEW LONDON, NEW MILFORD, NEWINGTON, NEWTOWN, NORWALK. NORFOLK, NORTH BRANFORD, NORTH CANAAN, NORTH GRANBY, NORTH HAVEN, NORTH STONINGTON, NORWICH, OLD LYME, OLD SAYBROOK, ORANGE, OXFORD, PLAINFIELD, PLAINVILLE, PLYMOUTH, POMFRET, PORTLAND, PRESTON, PROSPECT, PUTNAM, REDDING, RIDGEFIELD, ROCKY HILL, ROXBURY, SALEM, SAILSBURY, SCOTLAND, SEYMOUR, SHARON, SHELTON, SHERMAN, SIMSBURY, SOMERS, SOUTH WINDSOR, SOUTHBURY, SOUTHINGTON, SPRAGUE, STAFFORD, STERLING, STONINGTON, STRATFORD, SUFFIELD, THOMASTON, THOMPSON, TOLLAND, TORRINGTON, TRUMBULL, UNION, VERNON, VOLUNTOWN, WALLINGFORD, WARREN, WASHINGTON, WATERBURY, WATERFORD, WATERTOWN, WEST HARTFORD, WEST HAVEN, WESTBROOK, WETHERSFIELD, WILLINGTON, WINCHESTER, WINDHAM, WINDSOR, WINDSOR LOCKS, WOLCOTT, WOODBRIDGE, WOODBURY AND WOODSTOCK.

The current metered rates in these towns vary from town to town. The department's proposed meter rate increase for these towns was:

PROPOSED METERED TAXICAB RATES OF FARE:

METER DROP:

\$ 2.40 first 1/8 mile

TRAVEL:

.30 each additional 1/8 mile

WAITING TIME:

.30 every 31 seconds

There is also a proposal to review the statewide fuel surcharge only on April 1st and October 1st.

In addition to the department's proposal several taxicab operators have petitioned under Docket Number 1108-R-84-T for a rate which is higher than the one the department has petitioned for in Docket Number 1108-R-84-T. The following towns are also in the second rate increase and will be removed from this decision and handled exclusively in the second docket:

ANSONIA, ASHFORD, AVON, BEACON FALLS, BERLIN, BLOOMFIELD, BOLTON, BRANFORD, BRIDGEPORT, CANTON, DERBY, EAST GRANBY, EAST HARTFORD, EAST HAVEN, EAST WINDSOR, ELLINGTON, ENFIELD, FARMINGTON, GLASTONBURY, GRANBY, GUILFORD, HAMDEN, HARTFORD, KILLINGLY, MANCHESTER, MERIDEN, MILFORD, MONROE, NEW BRITAIN, NEW HAVEN, NEWINGTON, NORTH BRANFORD, NORTH HAVEN, ORANGE, OXFORD, POMFRET, PUTNAM, ROCKY HILL, SEYMOUR, SHELTON, SIMSBURY, SOMERS, SOUTH WINDSOR, STRATFORD, SUFFIELD, THOMPSON, TOLLAND, TRUMBULL, VERNON, WALLINGFORD, WEST HARTFORD, WEST HAVEN, WETHERSFIELD, WINDSOR, WINDSOR LOCKS, WOODBRIDGE AND WOODSTOCK.

B. <u>HEARING HELD</u>

Pursuant to Sections 13b-96 of the Connecticut General Statutes, as amended, and Sections 4-177 through 4-182 of the Connecticut General Statutes, inclusive, this petition was assigned for a public hearing which was held at the administrative offices of the Department in Newington, Connecticut on November 17, 2011.

Notice of the petition and of the hearing to be held thereon was given to the petitioner, and to such other parties as deemed necessary by the department as required by Connecticut General Statutes Section 13b-97, as amended. Legal notice to the public was given by publication on the department's website.

C. APPEARANCES

Sheldon Lubin, department staff, appeared on behalf of the Regulatory and Compliance Unit and presented the departments proposal.

The following companies filed for party or intervenor status and were granted intervenor status:

- 1. Vito Bochicchio appeared on behalf of Eveready Norwalk and Norwalk Yellow Cab. The mailing address is P.O. Box 15, Norwalk, CT 06820.
- 2. Anthony Intino appeared on behalf of both Metro Taxi and Fairfield County Transportation. The mailing address is P.O. Box 26094, West Haven, Connecticut 06516.
- 3. Raymond Longo appeared on behalf of Casino Cab Co., Inc. d.b.a. Yellow Cab Co. The mailing address is 65 Stillman Street, Bridgeport, CT 06608.
- 4. G. Dianne Prince appeared on behalf of Citywide Taxi, LLC. The mailing address is 119 Rock Creek Road, New Haven, CT 06515.
- 5. Edward Suggs appeared on behalf of Yellow taxi. The address for Yellow Taxi is 119 Rock Creek Road, New Haven, CT 06515.
- 6. Segundo Tacuri appeared on behalf of ST Taxi Service. The mailing address is 168 South Street, Danbury, CT 06810.

7. Adel Mansour appeared on behalf of Valley Livery and Limo, LLC. The mailing address is 26 Beaver Street, Building 1, Unit 2, Ansonia, CT 06401.

D. ADMINISTRATIVE NOTICE

Administrative notice was taken of the final decisions in the following hearings: 1108-R-85-T, 1105-R-51-T, 1104-R-34-T and 1105-R-42-T.

II. FINDINGS OF FACT

- 1. The department seeks to increase the meter rate for taxicab fares in most Connecticut towns as listed in the hearing notice issued on October 20, 2011.
- 2. The last metered rate increase in most of these towns was between and 2004 and 2007. In some of the towns in this proposal, the last rate increase was between 1997 and 2000.
- 3. Several of the operators in the Middletown and New Haven area do not want the rate increase and believe it may harm their business because it will discourage customers from taking their services.
- 4. Some of the operators support the rate increase and testified that the cost of doing business has gone up while other operators want to raise the meter rate beyond the rate proposed by the Department. The maximum rate that can be imposed after the hearing has to be equal or lower than that proposed by the department.
- 5. For those companies that are participating in the fuel surcharge program, they must participate in full including all of their vehicles.
- 6. Ansonia, Beacon Falls, Derby, Monroe, Oxford, Seymour and Shelton have the most travel miles without a customer. The rate the department is proposing is less than the taxicab rate that these towns are currently operating under.
- 7. Since Norwalk Yellow Cab had a rate application pending, there will be a separate rate hearing for Norwalk.
- 8. Several of the towns the department petitioned for including: Andover, Bristol, Burlington, Cheshire, Clinton, Coventry, Fairfield, Madison and Mansfield, Granby, Plainville, Stafford, and Willington should petition the department for a separate rate hearing since there is not an appropriate rate that can be set based on the evidence presented and the constraint of not exceeding the department proposed rate in the notice of hearing.

III. DEPARTMENT ANALYSIS

The department has jurisdiction over each person, association, limited liability company or corporation owning or operating a taxicab in accordance with Connecticut General Statutes Section 13b-93 as amended. In addition, the department is authorized to prescribe adequate service and reasonable rates and charges with respect to fares, service, operations and equipment, as it deems necessary.

Based on the evidence presented, there appears to be no consensus on the part of the operators as to whether to raise the taxicab rates or not. Several operators testified that they did not believe that their communities would be able to support a rate increase while others felt that was enough time that had passed since the last increase that one should now be granted. Several years have passed since the last rate increases were granted in these areas and in some towns, a substantial time has passed. Costs of many things necessary to do business have also risen and it is reasonable for the drivers to recoup some of these additional costs.

The department has petitioned for most of the towns in Connecticut to get a rate increase but it is not really a workable solution. What may be a good increase for one town may be too high or too low depending on the rate currently in that town. A state wide rate increase is therefore largely unworkable in many respects. What can be done is for individual areas to be analyzed and receive rates which are tailored for their specific area. While the hearing officer cannot institute a rate higher than the one proposed by the department, a compromise position may be taken if there is a conflict between the operators and what the rate should be.

Areas of the state which currently have a higher rate than that proposed by the department will be exempt from this decision and have their rate increase request handled in Docket Number 1108-R-84-T. This includes the towns of Ansonia, Beacon Falls, Derby, Monroe, Oxford, Seymour and Shelton. It is not fair to those operators who are currently operating at a higher rate to have to reduce their rates which were sanctioned after a prior rate hearing.

Norwalk had a separate rate application pending which will be addressed in Docket Number 1110-R-104-R so that town is excluded from this decision.

In the towns of Andover, Bolton, Bristol, Burlington, Cheshire, Clinton, Coventry, Fairfield, Litchfield, Madison, Mansfield, Plainville, Stafford and Willington, the department will petition in the future for a rate increase which is more appropriate to that area than the one originally proposed by the department.

The remaining towns as listed below will be granted a modified rate increase such that the fuel surcharge will change so that the new rate does not exceed the rate originally proposed by the department but is slightly different.

IV. CONCLUSION AND ORDER

Based upon the above and pursuant to the authority granted under Connecticut General Statutes Section 13b-96, as amended, the petition filed by the department is hereby granted as follows:

Therefore, it is hereby ordered that the following schedule of metered rates of fare shall be implemented for the following towns and shall become effective on Saturday, January 17, 2012 at 12:01 a.m.

BETHANY, BETHEL, BETHLEHEM, BARKHAMSTED, BOZRAH, BRIDGEWATER. BROOKFIELD, BROOKLYN, CANAAN, CANTERBURY, CHAPLIN, CHESTER, COLEBROOK, COLCHESTER, COLUMBIA. CORNWALL, CROMWELL, DANBURY, DEEP RIVER, DURHAM, EAST HAMPTON, EAST HADDAM, EAST LYME, EASTON, ESSEX, FRANKLYN, GOSHEN, GRISWOLD, GROTON, HADDAM, HAMPTON, HARTLAND, HARWINTON, HEBRON, KENT, KILLINGWORTH, LEBANON, LEDYARD, LISBON, LYME, MARBOROUGH, MIDDLEBURY, MIDDLEFIELD, MIDDLETOWN, MONTVILLE, MORRIS, NAUGAUTUCK, NEW FAIRFIELD, NEW HARTFORD, NEW LONDON, NEW MILFORD, NEWTOWN, NORFOLK, NORTH CANAAN, NORTH STONINGTON, NORWICH, OLD LYME, OLD SAYBROOK, PLAINFIELD, PLYMOUTH, PORTLAND, PRESTON, PROSPECT, REDDING, RIDGEFIELD, ROXBURY, SALEM, SAILSBURY, SCOTLAND, SHARON, SHERMAN, SOUTHBURY, SOUTHINGTON, SPRAGUE, STERLING, STONINGTON, TORRINGTON, UNION, VOLUNTOWN, WARREN, WASHINGTON, WATERBURY, WATERFORD, WATERTOWN, WESTBROOK, WINCHESTER, WINDHAM, WOLCOTT, WOODBURY AND WOODSTOCK.

The new metered rate in the above towns is:

METERED TAXICAB RATES OF FARE

METER DROP:

\$ 3.00 first 1/8 mile

TRAVEL:

.30 each additional 1/8 mile

WAITING TIME:

.30 every 30 seconds

The fuel surcharge will only be on the travel rate once the price of gasoline exceeds \$4.00 a gallon for regular gasoline beginning with a penny extra per 1/8 of a mile. The fuel surcharge will only be reviewed on April 1st and October 1st.

The metered rates in effect for the above listed towns on the date of the final decision are cancelled upon implementation of the new rates authorized herein.

Public notice of the intent to implement the rates authorized herein shall be given by the operators through publication of a legal notice in their local newspaper, not less than five (5) days prior to such implementation. The operators operating in all of the above towns shall be responsible for the expense to place the legal notice.

The metered rates of fare approved herein shall apply to all taxicab operators servicing the above towns.

Dated at Newington, Connecticut on the 6th day of January 2012.

CONNECTICUT DEPARTMENT OF TRANSPORTATION

Judith Almeida

Staff Attorney III

Administrative Law Unit

Bureau of Finance and Administration