

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DIVISION OF PUBLIC UTILITIES AND CARRIERS  
89 JEFFERSON BOULEVARD  
WARWICK, RHODE ISLAND 02888**

Docket No.: 01 MC 71

In Re: Gasoline Price Emergency Surcharge Program for Taxicabs and  
Limited Public Motor Vehicles

**REPORT AND ORDER**

The Rhode Island General Assembly passed Senate Bill 01-0978, as amended, which was enacted on July 13, 2001 as Public Law Chapter 307. This law, which amends R.I.G.L. §39-14-2.2, requires the Administrator of the Division of Public Utilities and Carriers to

“...implement a gasoline price emergency surcharge program whereby a taxicab or limited public motor vehicle licensed under this chapter shall be permitted to impose and collect a surcharge, not to exceed fifty cents (\$.50) per fare, during periods when it is determined that the average price of gasoline in this state exceeds one dollar and fifty cents (\$1.50) per gallon.”

Further, this law requires the Division to develop and implement such a program on or before September 1, 2001.

Following notification to the public via a display advertisement which appeared in the Providence Journal on Friday, August 3, 2001, the Division conducted a public hearing on this matter on August 22, 2001.

**APPEARANCES:**

William K. Lueker, Esq. for the Advocacy Section of the Division

**FINDINGS**

The Advocacy Section stated that it had developed a proposed program and entered this proposal, entitled “Proposed Gasoline Price Emergency Surcharge Program – Taxicabs and Limited Public Motor Vehicles,” after authentication by Mr. William Maloney, Associate Administrator for the Motor Carriers Section of the Division, into evidence as Advocacy Section Exhibit 1. The proposal states:

“There will be a \$.25 per trip surcharge for all fares wherein the meter shows a fare of \$10.00 or less. When the meter fare is more than \$10.00, the surcharge will be \$.50 per trip. This surcharge will be renewed at the start of each month. Each month the Division shall determine whether the

surcharge is to be implemented for the following month dependent upon the average cost of fuel as determined by the Division. The surcharge will only be in effect when the average cost of regular gasoline in the State of Rhode Island exceeds \$1.50 per gallon.”

Mr. William Maloney testified that, in his opinion, this proposal would be a fair implementation of the surcharge program because it differentiated between “short fares” and “long fares.”

When asked how the average price of regular gas in the State of Rhode Island would be determined, Mr. Maloney stated that two data points would be averaged to determine whether a surcharge would be authorized for the following calendar month. He suggested that the Division could access data specific to Rhode Island from the American Automobile Association of Southern New England, either by telephone or by accessing its web-site at [www.aaasne.com](http://www.aaasne.com), on the first and third Wednesday of each month. The cost of regular gasoline in Rhode Island on those two days would then be averaged. If that average exceeded one dollar and fifty (\$1.50) cents, a surcharge would be authorized for the following calendar month.

In relation to disseminating the authorization of a surcharge, Mr. Maloney testified that the Division planned to notify all taxicab and limited public motor vehicle operators of the implementation of the program by a direct mailing. He further stated that the authorization and/or discontinuation of the surcharge could be announce to the industry on a monthly basis via a posting on the Division’s web-site and/or via a recorded message accessible through the Division’s main telephone number.

To notify the public, Mr. Maloney proposed the posting of a sign which would state that a surcharge is in effect in a conspicuous place in the taxicab or limited public motor vehicle, as well as in the offices of the taxicab and limited public motor vehicle businesses. The Advocacy Section of the Division offered into evidence, as Advocacy Section’s Exhibit 2, a notice proposed by the Division to convey this information.

When asked if operators should verbally notify their customers that a surcharge was in effect, Mr. Maloney replied that it would be another helpful method of conveying the information to consumers.

Public comment was offered by a member of the taxi industry who offered support for the implementation of the proposal offered by the Division.

There was no opposition to the implementation of the program as proposed by the Division.

Accordingly, it is

(16700) ORDERED:

That the “Gasoline Price Emergency Surcharge Program – Taxicabs And Limited Public Motor Vehicles” described below will be implemented on September 1, 2001.

**“Gasoline Price Emergency Surcharge Program  
for Taxicabs and Limited Public Motor Vehicles”**

1. The average cost of regular gasoline in the State of Rhode Island will be determined by the Division by averaging the cost of regular gasoline in the state as posted under Rhode Island at [www.aaasne.com](http://www.aaasne.com) on the first and third Wednesday of each month.
2. When the average cost of regular gasoline in the state exceeds one dollar and fifty (\$1.50) cents per gallon, the Division will authorize a surcharge. The surcharge will be twenty-five (\$0.25) cents per fare when the meter shows a fare of \$10.00 or less. The surcharge will be fifty (\$0.50) cents per fare when the meter shows a fare of more than \$10.00.
3. On the fourth Monday of each month preceding a month in which the Division will authorize a surcharge, the Associate Administrator of the Motor Carrier’s Section of the Division will issue an Administrative Order stating:
  - a) The cost of regular gasoline in the state as posted under Rhode Island fuel prices on the AAA of Southern New England’s web-site on the first and third Wednesday of each month;
  - b) The average of the cost of regular gasoline based on these two data points; and,
  - c) The authorization of a surcharge for the following calendar month.
4. The Associate Administrator of the Motor Carrier’s Section of the Division will cause this administrative order to be posted on the Division’s web-site by the fourth Monday of each month preceding a month in which the Division will authorize a surcharge, where it will remain at least until the expiration of the month to which it relates.
5. The Associate Administrator of the Motor Carrier’s Section of the Division will cause a message to be recorded, indicating the authorization of a surcharge by the fourth Monday of each month preceding a month in which the Division will authorize a surcharge.
6. In those months when a surcharge is authorized, all taxicabs and limited public motor vehicles must conspicuously place a notice of the surcharge in every vehicle which operates during that month. The Associate Administrator of the Motor Carrier’s Section of the Division will make sample notices available.
7. The authorization of the surcharge will expire on the last day of the calendar month for which it is authorized.

8. The application of the surcharge is voluntary. However, if a person or entity elects to implement the surcharge it must be applied non-discriminatorily to all persons carried.

DATED AND EFFECTIVE AT WARWICK, RHODE ISLAND, THIS 30<sup>th</sup> DAY OF AUGUST, 2001.

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Patricia F. McVicker, Esq.  
Hearing Officer

APPROVED:

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Thomas F. Ahern  
Administrator