

Decision 12-10-033 October 25, 2012

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Jet Mex Transportation, LLC for Authority to Operate as an on-call Passenger Stage Corporation between points in San Ysidro, California and Los Angeles, California; and to establish a Zone of Rate Freedom.

Application 12-07-020  
(Filed July 9, 2012)

**D E C I S I O N**

**Summary**

This decision grants the application of Jet Mex Transportation, LLC (Applicant), a limited liability company, pursuant to Pub. Util. Code § 1031 et seq., for a certificate of public convenience and necessity to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226, and to establish a zone of rate freedom (ZORF), pursuant to Pub. Util. Code § 454.2.

**Discussion**

The application, as supplemented by correspondence dated September 11, 2012, requests authority to operate as a PSC to transport passengers and their baggage on an on-call basis between San Ysidro (a community within the City of San Diego), on the one hand, and points in the Cities of Los Angeles, Fontana, Moreno Valley, and Santa Ana, on the other hand. Applicant advises that San Ysidro is home to the largest border crossing/port of entry in the world. Many of those who cross the border each day, either as workers or visitors, require transportation to areas such as the points that Applicant seeks to serve. Additionally, many border crossers are without vehicles or the means to pay for

other forms of transportation, resulting in them having to arrange for family members or friends to pick them up and drop them off. A carrier service in close proximity to the border helps alleviate much of this need.

Applicant indicates that two of its principals have extensive business experience. Their past involvement in either creating or managing restaurants included the development and assembly of companies, supervising, training and developing management teams to achieve business goals that were consistent with high quality timing and distribution of products and services, and establishing financial operating system controls. While neither has experience in operating a transportation service, Applicant believes that the owners' demonstrated success in business management and customer service will enable Applicant to satisfactorily serve the public as a PSC.

Operations will be conducted with six vehicles – five seating 14 passengers and one seating 20 passengers. Exhibit E of the application includes Applicant's balance sheet as of May 25, 2012, that discloses assets of \$116,622, liabilities of \$14,500, and equity of \$102,122.

The proposed one-way fare is \$25. Applicant requests authority to establish a ZORF of \$15 above and below this fare. It will compete with other PSCs, charter vehicles, taxicabs, public transit and private automobiles in its service area. This competitive environment should result in Applicant pricing its services at a reasonable level. Many other PSCs have been granted ZORFs. The requested ZORF is generally consistent with the ZORFs held by other PSCs.

Notice of filing of the application appeared in the Commission's Daily Calendar on July 27, 2012. Applicant served a copy of the application to the public transit operators, cities, counties, transportation planning agencies, and airports in the service area.

In Resolution ALJ 176-3298 dated August 2, 2012, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protest has been received. Given this status, public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ 176-3298.

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code § 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

### **Assignment of Proceeding**

Emory J. Hagan, III is the assigned Examiner in this proceeding.

### **Findings of Fact**

1. The application requests authority to operate as an on-call PSC to transport passengers and their baggage between San Ysidro, on the one hand, and Los Angeles, Fontana, Moreno Valley, and Santa Ana, on the other hand.
2. Public convenience and necessity requires the proposed service.
3. Applicant requests authority to establish a ZORF of \$15 above and below the proposed fare of \$25.
4. Applicant will compete with other PSCs, charter vehicles, taxicabs, public transit, and private automobiles in its operations. The ZORF is fair and reasonable.
5. No protest to the application has been filed.
6. A public hearing is not necessary.
7. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

### **Conclusions of Law**

1. Public convenience and necessity has been demonstrated and the application should be granted.
2. The request for a ZORF should be granted.
3. Before Applicant changes any fares under the ZORF authorized below, Applicant should give this Commission at least ten days' notice. The tariff should show the high and low ends of the ZORF and the then currently effective fare between each pair of service points.
4. Since the matter is uncontested, the decision should be effective on the date it is signed.

### **O R D E R**

#### **IT IS ORDERED** that:

1. A certificate of public convenience and necessity (CPCN) is granted to Jet Mex Transportation, LLC (Applicant), a limited liability company, authorizing it to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226, to transport passengers and their baggage between the points and over the routes set forth in Appendix PSC-29500, subject to the conditions contained in the following paragraphs.
2. Applicant shall:
  - a. File a written acceptance of this certificate within 30 days after this decision is effective.
  - b. Establish the authorized service and file tariffs and timetables within 120 days after this decision is effective.
  - c. File tariffs and timetables on or after the effective date of this decision. They shall become effective ten days or more after the effective date of this decision, provided that the Commission and the public are given not less than ten days' notice.

- d. Comply with General Orders Series 101 and 158, and the California Highway Patrol (CHP) safety rules.
  - e. Comply with the controlled substance and alcohol testing certification program pursuant to Pub. Util. Code § 1032.1 and General Order Series 158.
  - f. Remit to the Commission the Transportation Reimbursement Fee required by Pub. Util. Code § 423 when notified by mail to do so.
  - g. Comply with Pub. Util. Code §§ 460.7 and 1043, relating to the Workers' Compensation laws of this state.
  - h. Enroll all drivers in the pull notice system as required by Vehicle Code § 1808.1.
3. Applicant is authorized under Pub. Util. Code § 454.2 to establish a zone of rate freedom (ZORF) of \$15 above and below the proposed fare of \$25.
4. Applicant shall file a ZORF tariff in accordance with the application on not less than ten days' notice to the Commission and to the public. The ZORF shall expire unless exercised within 120 days after the effective date of this decision.
5. Applicant may make changes within the ZORF by filing amended tariffs on not less than ten days' notice to the Commission and to the public. The tariff shall include the authorized maximum and minimum fares and the fare to be charged between each pair of service points.
6. In addition to posting and filing tariffs, Applicant shall post notices explaining fare changes in its terminals and passenger-carrying vehicles. Such notices shall be posted at least ten days before the effective date of the fare changes and shall remain posted for at least 30 days.
7. Applicant is authorized to begin operations on the date that the Consumer Protection and Safety Division mails a notice to Applicant that its evidence of insurance and other documents required by Ordering Paragraph 2 have been

filed with the Commission and that the CHP has approved the use of Applicant's vehicles for service.

8. Before beginning service to any airport, Applicant shall notify the airport's governing body. Applicant shall not operate into or on airport property unless such operations are authorized by the airport's governing body.

9. The CPCN to operate as PSC-29500, granted herein, expires unless exercised within 120 days after the effective date of this decision.

10. The Application is granted as set forth above.

11. This proceeding is closed.

This decision is effective today.

Dated October 25, 2012, at San Francisco, California.

MICHAEL R. PEEVEY  
President  
TIMOTHY ALAN SIMON  
MICHEL PETER FLORIO  
CATHERINE J.K. SANDOVAL  
MARK J. FERRON  
Commissioners

CPSD/pw

Appendix PSC-29500

Jet Mex Transportation, LLC  
(a limited liability company)

Original Title Page

CERTIFICATE  
OF  
PUBLIC CONVENIENCE AND NECESSITY  
AS A PASSENGER STAGE CORPORATION  
PSC-29500

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Showing passenger stage operative rights, restrictions,  
limitations, exceptions, and privileges.

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All changes and amendments as authorized by  
the Public Utilities Commission of the State of California  
will be made as revised pages or added original pages.

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Issued under authority of Decision 12-10-033, dated October 25, 2012, of the Public  
Utilities Commission of the State of California in Application 12-07-020.

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SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS,  
LIMITATIONS, AND SPECIFICATIONS.

Jet Mex Transportation, LLC, a limited liability company, by the certificate of public convenience and necessity granted by the decision noted in the foot of the margin, is authorized to transport passengers and their baggage on an on-call basis between the points described in Section II, over the routes described in Section III, subject, however, to the authority of this Commission to change or modify this authority at any time and subject to the following provisions:

- A. When a route description is given in one direction, it applies to operation in either direction unless otherwise indicated.
- B. The term "on-call," as used, refers to service which is authorized to be rendered dependent on the demands of passengers. The tariffs shall show the conditions under which each authorized on-call service will be provided, and shall include the description of the boundary of each fare zone, except when a single fare is charged to all points within a single incorporated city.
- C. No passengers shall be transported except those having a point of origin or destination as described in Section IIA.
- D. This certificate does not authorize the holder to conduct any operation on the property of any airport unless such operation is authorized by the airport authority involved.

SECTION II. SERVICE AREA.

A. San Ysidro (City of San Diego)

B. City of Los Angeles  
City of Fontana  
City of Moreno Valley  
City of Santa Ana

SECTION III. ROUTE DESCRIPTION.

Commencing from San Ysidro, then over the most convenient streets and highways to any city listed in Section IIB.