

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Ranjit Rai and Kulwinder Rai, dba U.S. Airporter and Limo Service, to expand his existing Passenger Stage Corporation authority to serve the Counties of Marin, Napa, Solano, Sonoma, San Joaquin, San Mateo and Sacramento and to Expand an existing Zone of Rate Freedom.

Application 12-08-005
(Filed August 1, 2012)

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

This decision grants the application of Ranjit Rai and Kulwinder Rai (Applicants), husband and wife, pursuant to Pub. Util. Code § 1031 et seq., to revise their 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 new zone of rate freedom (ZORF), pursuant to Pub. Util. Code § 454.2.

Discussion

Applicants provide an on-call PSC service under a certificate granted by Decision (D.) 00-04-019. The certificate authorizes the transportation of passengers and their baggage between points in San Francisco, Alameda, Contra Costa, and Santa Clara Counties, on the one hand, and San Francisco (SFO), Oakland (OAK), and San Jose (SJC) International Airports, on the other hand. The application requests authority to revise the certificate to include service between the three airports and seven additional counties: Marin, Sonoma, Napa, Solano, San Mateo, San Joaquin, and Sacramento.

Applicants state that when they obtained their certificate in 2000, they requested authority to serve only four counties because that was the area from which they received the most requests for service. Continuously from that time, however, they have witnessed growing demand for airport shuttle transportation to and from additional points and places in the adjacent counties included in this application. When requested, Applicants have been providing charter service to these additional points under their charter-party authority. Applicants now want to offer door-to-door PSC service in the expanded area to meet a demand that has increased due to many factors, including the public's increased utilization of OAK and SJC, traffic congestion occurring around the airports, increased airport parking fees, and shortages of parking areas during peak travel periods.

Applicants indicate they have the experience and ability to conduct the expanded PSC service. They have been in the business of transporting travelers to and from the Bay Area airports since 1998 as a PSC and as a charter-party carrier. Applicants have five vans and sedans available to operate the service. Attached to the application as Exhibit C is Applicants' financial statement as of June 1, 2012, that discloses assets of \$1,238,800, liabilities of \$630,000, and net worth of \$608,800.

The proposed fares for the expanded service, as listed in Exhibit B of the application, range between \$30 (South San Francisco - SFO) and \$280 (Sacramento - SJC). D.00-04-019 authorized Applicants to establish a ZORF of \$8 above and below any fare of \$20 and under and \$15 above and below fares over \$20. Applicants state this ZORF is now too restrictive and is not commensurate with the ZORFs currently requested and granted to applicants for PSC certificates to operate in the San Francisco Metropolitan Area. To compete with these other carriers, Applicants seek to establish a new ZORF of \$15 above and

below fares of \$30 and less and \$25 above and below fares over \$30. The minimum fare will be \$5. Applicants will compete with other PSCs, taxicabs, charter sedans and limousines, public transit, and private automobiles in their operations. This highly competitive environment should result in Applicants pricing their services at a reasonable level.

Notice of filing of the application appeared in the Commission's Daily Calendar on August 6, 2012. Applicants request a waiver from the provisions of Rule 3.3(b) of the Commission's Rules of Practice and Procedure which require service of a copy of the application on every public transit operator operating in any portion of the service territory and service of a notice of the application on all city and county officials within whose boundaries the passengers will be loaded or unloaded. Applicants served a notice of the application to the affected airports, seven counties, 24 cities, and the Metropolitan Transportation Commission. Applicants believe the Commission's Daily Calendar provides adequate notice to parties that may have an interest in the application. We shall exercise the discretion accorded to us by Rule 1.2 and grant the waiver requested by Applicants because they will be providing on-call service, not scheduled service, and service on every governmental entity required by Rule 3.3(b) would be burdensome.

In Resolution ALJ 176-3299 dated August 23, 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 176-3299.

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. Applicants operate as an on-call PSC pursuant to D.00-04-019 between points in San Francisco, Alameda, Contra Costa, and Santa Clara Counties, on the one hand, and SFO, OAK, and SJC, on the other hand.

2. The application requests authority to revise Applicants' PSC certificate to add the Counties of Marin, Sonoma, San Mateo, Sacramento, Napa, San Joaquin, and Solano.

3. D.00-04-019 authorized Applicants to establish a ZORF of \$8 above and below fares of \$20 and under and \$15 above and below fares over \$20.

4. Applicants request to establish a new ZORF which will apply both to their current and expanded services of \$15 above and below fares of \$30 and less and \$25 above and below fares over \$30. The minimum fare will be \$5.

5. Applicants will compete with other PSCs, taxicabs, charter sedans and limousines, public transit, and private automobiles in their operations. The requested ZORF is fair and reasonable.

6. Applicants request a waiver of the notice requirements of Rule 3.3(b) of the Rules of Practice and Procedure as they have served notice of the application to the involved airports, seven counties, 24 cities, and the Metropolitan Transportation Commission.

7. No protest to the application has been filed.

8. A public hearing is not necessary.

9. 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 new ZORF should be granted.
3. Before Applicants change any fares under the authorized ZORF, Applicants 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. The certificate of public convenience and necessity (CPCN) granted to Ranjit S. Rai and Kulwinder K. Rai (Applicants), husband and wife, authorizing them 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-12956 of Decision 00-04-019 is revised by replacing Original Page 3 with First Revised Page 3, subject to the conditions contained in the following paragraphs.
2. Applicants shall:
 - a. File a written acceptance of the revised certificate within 30 days after this decision is effective.
 - b. Establish the authorized expanded service and file tariffs and timetables within 120 days after this decision is effective.
 - c. File tariffs 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 Section 1808.1 of the Vehicle Code.

3. Applicants are authorized to establish a ZORF for their current and expanded services of \$15 above and below any fare of \$30 and less and \$25 above and below any fare over \$30. The minimum fare will be \$5.

4. Applicants 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. Applicants 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, Applicants shall post notices explaining fare changes in their 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. Applicants are authorized to begin operating the expanded service on the date that the Consumer Protection and Safety Division mails a notice to Applicants that their 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 Applicants' vehicles for service.

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

9. The revised CPCN to operate as PSC-12956, granted herein, expires unless exercised within 120 days after the effective date of this decision.

10. The notice requirements of Rule 3.3(b) of the Commission's Rules of Practice and Procedure are waived as a notice of the application has been served upon parties that may have an interest in this proceeding

11. The Application is granted as set forth above.

12. This proceeding is closed.

This decision is effective today.

Dated _____, at San Francisco, California.

* SECTION II. SERVICE AREA.

- A. Points in the Counties of Alameda, Contra Costa, Marin, Napa, Sacramento, San Francisco, San Mateo, San Joaquin, Santa Clara, Solano, and Sonoma.
- B. San Francisco International Airport
Oakland International Airport
San Jose International Airport

SECTION III. ROUTE DESCRIPTIONS.

Commencing from any point described in Section IIA, then over the most convenient streets and highways to any airport described in Section IIB.