

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Sacramento Transportation Systems, Inc., dba SuperShuttle of Sacramento (PSC-15260) for an extension of its existing passenger stage certificate to authorize on-call service between Amtrak Sacramento Train Station, on the one hand, and Sacramento International Airport and points in Butte, El Dorado, Nevada, Placer, Sacramento, San Joaquin, Solano, Sutter, Yolo and Yuba Counties, on the other hand.

Application 12-09-010
(Filed September 18, 2012)

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

This decision grants the application of Sacramento Transportation Systems, Inc. dba SuperShuttle of Sacramento, a corporation, pursuant to Pub. Util. Code § 1031 *et seq.*, to expand its existing Certificate of Public Convenience and Necessity to operate as an on-call service between Amtrak Sacramento Train Station and Sacramento International Airport and points in Butte, El Dorado, Nevada, Placer, Sacramento, San Joaquin, Solano, Sutter, Yolo and Yuba Counties.

Discussion

Sacramento Transportation Systems, Inc., dba SuperShuttle of Sacramento, (applicant) provides on-call Passenger Stage Certificate (PSC) service under authority granted by Decision (D.) 02-09-015. The certificate authorizes the transport of passengers and their baggage between Sacramento International

Airport (SMF) and points in Butte, El Dorado, Nevada, Placer, Sacramento, San Joaquin, Solano, Sutter, Yolo, and Yuba Counties (existing service area). The certificate was expanded to include points in Napa Valley by D.09-12-007 in Application (A).09-10-011. This application requests authority to revise the certificate to provide on-call service between points in the existing service area and Amtrak Sacramento Train Station.

The applicant also seeks authority to establish a Zone of Rate Freedom (ZORF) for the new service between Amtrak Sacramento Train Station and the ten counties in the existing service area. "Amtrak Sacramento Train Station" would be added to Section II "Service Area" in the existing certificate and the route description for "On-Call Service" in Section III would be amended to read, "Commencing from any point described in Section IIA, then over the most convenient streets and highways to Sacramento International Airport or Amtrak Sacramento Train Station".

The applicant's request for on-call service would permit passengers traveling to and from Amtrak Sacramento Train Station to travel and commute easily, without having to rent a car or worry about parking in public lots or garages.

The proposed fares are between \$18 and \$150 for each passenger for shared-ride residential service, depending on how far from Amtrak Sacramento Train Station the passenger is traveling. For shared-ride hotel service the proposed fares are between \$13 and \$19.

The applicant also proposes to offer exclusive-ride services. However, under applicable law and Commission regulations, a PSC has no authority to offer exclusive-ride service. Thus the applicant should apply for Transportation Charter Party authority with the Safety and Enforcement Division Licensing Section if it wants to offer exclusive-ride service.

The applicant seeks authority to establish a ZORF of plus or minus \$20 around the proposed base rates for shared-ride residential services, with a minimum of \$5. In addition, Applicant seeks to establish a ZORF of \$8 below the base rate, with a minimum rate of \$5, and \$21 above the base rate, with a maximum of \$38, for shared-ride hotel service. The applicant states this range is consistent with that sought and obtained by other carriers.

The applicant believes there is a need for the proposed expanded services due to Amtrak Sacramento Train Station serving high volumes of tourists, commuters, and residents. The applicant will compete with other PSCs, taxicabs, charter limousines, public transit, and private automobiles in their operations. The highly competitive environment should result in the applicant pricing services at a reasonable level.

The applicant will operate the service using 29 passenger vans. The applicant proposes to operate on-call service to customers who either make a reservation for pick-up or drop-off ahead of time, or who arrange a pick-up or drop-off closer to their arrival or departure time. The applicant will assign as many of these 29 passenger vans as necessary from this existing fleet to conduct the scheduled service.

The applicant submitted on September 18, 2012, a motion to file under seal as Exhibit A its latest financial statements, an unaudited balance sheet for the years ended December 31, 2011 and 2010, and its audited financial statements for the years ended December 31, 2010 and 2009. Administrative Law Judge (ALJ) Hallie Yacknin ruled on November 1, 2012, that the information in Exhibit A is of the type that is not commonly made public and which, if made public, could subject the applicant to an unfair business disadvantage, and granted the unopposed motion of the applicant to file Exhibit A under seal.

Notice of filing of the application appeared in the Commission's Daily Calendar on September 24, 2012. The applicant served a notice of the application to the involved cities and counties.

In Resolution ALJ 176-3301 dated September 27, 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 176-3301.

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.

Safety Considerations

In order to be authorized to commence operations as a passenger stage corporation, the applicant must comply with the following requirements in order to protect public safety: Proof of adequate insurance, compliance with the controlled substance and alcohol testing program pursuant to Pub. Util. Code §1032.1 and General Order Series 158, and enrollment in the pull notice system as required by Section 1808.1 of the Vehicle Code.

Assignment of Proceeding

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

Findings of Fact

1. The applicant operates as an on-call PSC pursuant to D.02-09-015 between SMF and points in Butte, El Dorado, Nevada, Placer, Sacramento, San Joaquin, Solano, Sutter, Yolo, and Yuba Counties.
2. The applicant requests authority to expand its PSC operation to include service to Amtrak Sacramento Train Station in the existing service area.

3. The proposed fares are between \$18 and \$150 for each passenger for shared-ride residential service, depending on how far from Amtrak Sacramento Train Station the passenger is traveling. For shared-ride hotel service the proposed fares are between \$13 and \$19.

4. The applicant seeks authority to establish a ZORF of plus or minus \$20 around the proposed base rates for shared-ride residential services, with a minimum of \$5. In addition, the applicant seeks to establish a ZORF of \$8 below the base rate, with a minimum rate of \$5, and \$21 above the base rate, with a maximum of \$38, for shared-ride hotel service.

5. The applicant does not have the authority to provide exclusive-rides. If the applicant desires to provide exclusive-ride services, it shall file an application to provide charter-party services.

6. The applicant will compete with other PSCs, charter services, taxicabs, and private automobiles in its operations. The ZORF is fair and reasonable.

7. The applicant's Motion For Leave to File Confidential Information under Seal was granted by ALJ Hallie Yacknin on November 1, 2012.

8. No protest to the application has been filed.

9. A public hearing is not necessary.

10. The activity in question will not have a significant effect on the environment and thus is not subject to review under the California Environmental Quality Act.

Conclusions of Law

1. Public convenience and necessity has been demonstrated and the application should be granted.

2. The applicant is not authorized to provide exclusive-ride service, therefore the fares for this service should not be granted.

3. The request for a shared-ride ZORF should be granted.

4. Before the applicant changes any fares under the ZORF authorized below, the 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.

5. 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 granted to Sacramento Transportation Systems, Inc. dba SuperShuttle of Sacramento, (applicant), a corporation under permit number PSC 15260, authorizing the applicant to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code Section 226, to transport passengers and their baggage between the points and over the routes set forth in appendix PSC-15260 of Decision 09-12-007, is revised by replacing First Revised Page 2 and Second Revised Page 3 with Second Revised Page 2 and Third Revised Page 3, subject to the conditions contained in the following paragraphs.

2. Sacramento Transportation Systems, Inc., 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 on or after the effective date of this decision. The tariff 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 Commission General Orders Series 101 and 158, and the California Highway Patrol safety rules.
- e. Comply with the controlled substance and alcohol testing certification program pursuant to Pub. Util. Code § 1032.1 and Commission 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. Sacramento Transportation Systems, Inc., is authorized to begin operating the expanded service on the date that the Commission's Safety and Enforcement Division mails a notice to the applicant that its evidence of insurance and other documents required by Ordering Paragraph 2 have been filed with the Commission and that the California Highway Patrol has approved the use of the applicant's vehicles for services.

4. Sacramento Transportation Systems, Inc., is authorized under Pub. Util. Code § 454.2 to establish a Zone of Rate Freedom of \$20 above and below fares as described in the application.

5. Sacramento Transportation Systems, Inc., shall file a Zone of Rate Freedom (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.

6. Sacramento Transportation Systems, Inc., may make changes within the Zone of Rate Freedom 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.

7. Sacramento Transportation Systems, Inc.'s, (applicant) request to offer exclusive-ride service is denied. If the applicant desires to provide exclusive-ride services, it shall file an application to provide charter-party services.

8. In addition to posting and filing tariffs, Sacramento Transportation Systems, Inc., 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.

9. Before beginning service to any airport, Sacramento Transportation Systems, Inc., (applicant) shall notify the airport's governing body. Applicant shall not operate into or on an airport property unless such operations are authorized by the airport's governing body.

10. The revised Certificate of Public Certificate and Necessity to operate as Passenger Stage Corporation - 15260, granted herein, expires unless such operations are authorized by the airport's governing body.

11. The confidential information subject to Administrative Law Judge (ALJ) Hallie Yacknin's ruling dated November 1, 2012, shall remain under seal for a period of two years from the date of that ruling. During this period, the information shall not be made accessible or disclosed to anyone other than (a) Commissioners and Commission Staff, (b) other parties to this proceeding who have executed a reasonable nondisclosure agreement with Sacramento Transportation Systems, Inc., or (c) upon further order or ruling of this Commission, the assigned Commissioner, the assigned ALJ, or the ALJ then designated as Law and Motion Judge.

12. The Application is granted as set forth above.

13. This proceeding is closed.

This decision is effective today.

Dated _____, at San Francisco, California.

**SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS,
LIMITATIONS, AND SPECIFICATIONS.**

Sacramento Transportation Systems, Inc., a corporation, by the revised 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" and scheduled 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. Scheduled service shall be operated only at the points described in Sections IIB and IIC. A description of all the stop points and the arrival and departure times from such points shall be indicated in the timetable filed with the Commission.
- D. No passengers shall be transported except those having a point of origin or destination as described in Section IIB.
- E. 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.

Appendix PSC-15260

Sacramento Transportation
Systems, Inc.
(a corporation)

Third Revised Page 3
Cancels
Second Revised Page 3

SECTION II. SERVICE AREA.

- A. Points in the Counties of Butte, El Dorado, Nevada, Placer, Sacramento, San Joaquin, Solano, Sutter, Yolo, and Yuba.
- B. Sacramento International Airport (SMF).
- C. Points along Highway 29 in Napa County.
- D. Amtrak Sacramento Train Station*

SECTION III. ROUTE DESCRIPTION.

On-Call Service

Commencing from any point described in Section IIA, then over the most convenient streets and highways to Sacramento International Airport or the Amtrak Sacramento Train Station. *

Scheduled Service

Commencing from any point described in Section IIC, then over the most convenient streets and highways to Sacramento International Airport.