

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Nor Cal Transportation Corporation doing business as The Santa Cruz Experience for authority to operate as an on-call passenger stage corporation between points in Santa Cruz County and San Jose International Airport and San Francisco International Airport and to establish a Zone of Rate Freedom.

Application 12-09-019
(Filed September 26, 2012)

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

This decision grants the application of Nor Cal Transportation Corporation, doing business as The Santa Cruz Experience, a corporation, pursuant to Pub. Util. Code § 1031 *et seq.*, for a Certificate of Public Convenience and Necessity to operate as a Passenger Stage Corporation, as defined in Pub. Util. Code § 226.

Discussion

Nor Cal Transportation Corporation, doing business as The Santa Cruz Experience, (applicant) requests authority to operate as an on-call Passenger Stage Corporation (PSC) to transport passengers and their baggage between points in Santa Cruz County, on the one hand, and San Jose International (SJC) and San Francisco International (SFO) Airports, on the other hand. Applicant currently provides Transportation Charter Party (TCP) services under TCP-27104B. Applicant has received a high volume of calls requesting shuttle service

to the named airports and is therefore requesting a PSC authority to provide such service.

Applicant will operate the service using one 5-passenger hybrid sedan, two 15-passenger shuttle vans, and one 7-passenger mini-van. Transportation will be offered on an on-call basis between 7:00 a.m. and 11:00 p.m., seven days a week. However, for an additional charge of \$25 service will be offered between 11:00 p.m. and 7:00 a.m. The proposed one-way single passenger fares are \$45/\$75 from Santa Cruz to SJC/SFO, \$50/\$80 from Capitola/Aptos to SJC/SFO, and \$60/\$100 from Watsonville/San Lorenzo Valley/Bonny Doon to SJC/SFO. A reservation 24 hours in advance will be required to guarantee service.

Applicant requests authority to establish a Zone of Rate Freedom (ZORF) of \$15 above and below the proposed fares. Applicant will compete with other PSCs, charter operators, taxicab services, and private automobiles in the 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.

Applicant states it has been in operation for over 5 years. Applicant provided staff with a balance sheet as of December 31, 2012, which discloses assets of \$768,000, liabilities of \$709,000, and net worth of \$59,000.

Notice of filing of the application appeared in the Commission's Daily Calendar on October 4, 2012. Applicant mailed a copy of the application to the involved cities, counties, and airports.

In Resolution Administrative Law Judge (ALJ) 176-3302 dated October 11, 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 176-3302.

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. Applicant requests authority to operate as an on-call PSC to transport passengers and their baggage between points in Santa Cruz County, on the one hand, and SJC and SFO airports, on the other hand.
2. Applicant currently provides charter-party services under TCP-27104B.
3. Public convenience and necessity requires the proposed service.
4. No protest to the application has been filed.
5. A public hearing is not necessary.
6. 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 ten days' notice. The tariff should show the high and low ends of the ZORF and the ten 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 is granted to Nor Cal Transportation Corporation, doing business as The Santa Cruz Experience, a corporation, 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-27104, subject to the conditions contained in the following paragraphs.
2. Nor Cal Transportation Corporation 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. 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 Commission General Orders Series 101 and 158, and the California Highway Patrol safety rules.
- e. Comply with the Commission's 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. Nor Cal Transportation Corporation is authorized under Pub. Util. Code § 454.2 to establish a Zone of Rate Freedom of \$15 above and below the proposed fares, as described in the application.

4. Nor Cal Transportation Corporation shall file a Zone of Rate Freedom tariff in accordance with the application 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.

5. In addition to posting and filing tariffs, Nor Cal Transportation Corporation 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.

6. Nor Cal Transportation Corporation (applicant) is authorized to begin operations on the date that the Commission's Safety and Enforcement 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 California Highway Patrol has approved the use of applicant's vehicles for service.

7. The Certification of Public Convenience and Necessity to operate as Passenger Stage Corporation-27104, granted herein, expires unless exercised within 120 days after the effective date of this decision.

8. Before beginning service to any airport, Nor Cal Transportation Corporation (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 Application is granted as set forth above.

10. This proceeding is closed.

This decision is effective today.

Dated _____, at San Francisco, California.

Appendix PSC-27104 Nor Cal Transportation Corporation Original Title Page
doing business as The Santa Cruz Experience
(a corporation)

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-27104

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

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

Nor Cal Transportation Corporation, doing business as The Santa Cruz Experience, a corporation, 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. Service shall be provided only at the points named in Section II.
- 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.

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SECTION II. SERVICE AREA.

- A. Points in Santa Cruz County
- B. San Jose International Airport (SJC).
 San Francisco International Airport (SFO).

SECTION III. ROUTE DESCRIPTION.

Commencing from points in Santa Cruz County, then over the most convenient streets and highways to any airports described in Section IIB.