

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SuperShuttle of Los Angeles, Inc. (PSC-9635) for authority to establish new rates and Zones of Rate Freedom for service between points in Los Angeles, Orange, San Bernardino, Riverside, and Ventura Counties on the one hand, and Los Angeles International Airport, Ontario International Airport, Burbank Airport, Long Beach Airport, John Wayne Airport, Los Angeles Amtrak Station, and Los Angeles and Long Beach Harbors on the other hand.

Application 12-12-005
(Filed December 6, 2012)

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

This decision grants the application of SuperShuttle of Los Angeles, Inc., a corporation, to revise its rates and its zone of rate freedom, pursuant to Pub. Util. Code § 454.2.

Discussion

SuperShuttle of Los Angeles, Inc., (Applicant) was granted authority in Decision (D.) 95-09-048 to operate as a Passenger Stage Corporation (PSC) PSC-9635 to transport passengers and their baggage between Los Angeles, Orange, San Bernardino, Riverside, and Ventura Counties on the one hand, and Los Angeles International Airport (LAX), Ontario International Airport (ONT), Burbank Airport (BUR), Long Beach Airport (LGB), John Wayne Airport (SNA), Los Angeles Amtrak Station (L.A. Amtrak Station) and Los Angeles and Long Beach Harbors (LA/LB/HRB) on the other hand. D.98-02-096 authorized a Zone of Rate Freedom (ZORF) of \$12 above and below any of the stated fares, with a

minimum fare of \$5. The applicant also holds Transportation Charter Party (TCP) authority TCP-9635.

The Applicant requests authority to revise currently effective rates and the ZORF approved by D.98-02-096. Currently effective rates and ZORF are attached as Exhibit B to the application. The proposed rates and ZORF for various service points are in Exhibit C. The Applicant estimates that the rates proposed will increase revenues by no more than 3% based on the increase in base rates.

For residential service, the proposed ZORF is plus or minus 20% above the proposed fare, with a minimum of \$12 (Certain points in Downtown Los Angeles - L.A. Amtrak Station, in Downtown Los Angeles) and maximum of \$492 (Unincorporated area of Hinckley in San Bernardino County - LA/LGB HRB)

The Applicant also seeks to modify its existing rate for additional passengers in a party. Currently, if the base rate is \$14 or less, each additional passenger is \$8.00, if the base rate is \$15 or more, each additional passenger is \$9.00. The Applicant proposes to charge \$9.00 for each additional person in the party, without regard to the base rate.

The Applicant states that the proposed increase is largely attributable to massive increases in the price of gasoline since the current ZORF was fixed by D.98-02-096 over fifteen years ago. The Applicant notes that the consumer price index for the Los Angeles area has increased by roughly 42% during this fifteen year period, while the cost of gasoline has tripled over the same period.

The Applicant's request for shared-ride rates and ZORF changes is reasonable. The Applicant will compete with other PSCs, TCPs, taxicabs, public transit and private automobiles in its service area. This highly competitive market will result in the Applicant's rates being set at a reasonable level with the ZORF.

The Applicant submitted on December 6, 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 June 6, 2013, 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 December 14, 2012.

In Resolution ALJ 176-3306 dated December 20, 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, a public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ 176-3306.

In accordance with Rule 2.4, applicant states that it can be seen with certainty that there is no possibility that the grant of authority sought herein may have a significant effect on the environment.

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 PSC, the Applicant must comply with the following requirements in order to protect public safety: Proof of insurance pursuant to General Order Series 101, 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 is currently authorized to operate as a PSC between Los Angeles, Orange, San Bernardino, Riverside, and Ventura Counties on the one hand, and LAX, ONT, BUR, LGB, SNA, L. A. Amtrak Station and LA/LB/HRB on the other hand.

2. The Applicant requests authority to revise its ZORF for residential service to be plus or minus 20% above the proposed fare, with a minimum of \$12 (Certain points in Downtown Los Angeles – L.A. Amtrak Station, in Downtown Los Angeles) and maximum of \$492 (Unincorporated area of Hinckley in San Bernardino County – LA/LGB HRB), for shared-ride fares as shown in Exhibit C of the application.

3. The Applicant seeks to charge \$9.00 for each additional person in the party, without regard to the base fare.

4. The proposed increases in base fares are justified under Pub. Util. Code § 454.

5. The Applicant will compete with other PSCs, taxicabs, limousines, public transit, and private automobiles in its operations. The ZORF is fair and reasonable.

6. No protest to the application has been filed.

7. The Applicant’s Motion For Leave to File Confidential Information under Seal was granted by ALJ Hallie Yacknin on June 6, 2013.

8. A public hearing is not necessary.

9. 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. The proposed fares for shared-ride services are just and reasonable and should be granted.
2. The application for a shared-ride ZORF should be granted.
3. Before the applicant changes any fares under the revised 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 applicable 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. SuperShuttle of Los Angeles, Inc., is authorized under Pub. Util. Code § 454.2 to increase base fares as shown in Exhibit C of the application.
2. SuperShuttle of Los Angeles, Inc., (Applicant) is authorized to establish a revised zone of rate freedom to be plus or minus 20% above the proposed fares. Applicant is authorized to charge \$9.00 for each additional person in the party, without regard to the base fare.
3. SuperShuttle of Los Angeles, Inc., shall file an amended tariff on or after the effective date of this order reflecting the approved shared-ride fares. The tariff may become effective ten days or more after the effective date of this order provided that the Commission and the public are given not less than five days' notice.

Proposed Decision

4. SuperShuttle of Los Angeles, 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 and the authorized increase in fares shall expire unless exercised within 120 days after the effective date of this order.

5. SuperShuttle of Los Angeles, 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.

6. In addition to posting and filing tariffs, SuperShuttle of Los Angeles, 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.

7. The confidential information subject to Administrative Law Judge (ALJ) Hallie Yacknin's ruling dated June 6, 2013, 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 SuperShuttle of Los Angeles, 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.

8. The Application is granted as set forth above.

9. This proceeding is closed.

This decision is effective today.

Dated _____, 2013, at Carmel-by-the-Sea, California.