

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of First Class Shuttle (PSC 24920) for Authority to Increase Rates; and to establish a Zone of Rate Freedom.
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Application 13-02-024 (Filed February 07, 2013)
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D E C I S I O N G R A N T I N G A P P L I C A T I O N**Summary**

This decision grants the application of First Class Shuttle, a corporation, to increase its passenger fares by \$5 (one-way) and by \$30 (round-trip), pursuant to Pub. Util. Code § 454. First Class Shuttle is authorized to continue its Zone of Rate Freedom of 20%.

Discussion

First Class Shuttle (Applicant) is authorized by Decision (D). 10-10-005 to operate as a passenger stage corporation (PSC) to transport passengers and their baggage on a scheduled basis between Redding and Sacramento International Airport (SMF), with stops en route at Red Bluff, Corning, Orland, and Willows. Applicant's current fares as granted with a fare increase by its most recent tariff filing dated September 20, 2011 are \$65 one way and \$105 round-trip. The proposed rates are \$70 one-way, and \$135 round-trip. The Applicant desires to continue its Zone of Rate Freedom (ZORF) of 20%.

Applicant states that it misjudged the fares/ZORF requested by its initial application filed on July 22, 2010, and finds that upon review of its 2012 balance sheet, net income was only \$1,157 per month. Applicant judges the current income is insufficient to both cover costs and compensate owners. The applicant

estimates the proposed increase in revenue will be 7.75%. Such an increase is reasonable, and we will therefore grant the relief requested.

Notice of filing of the application appeared in the Commission's Daily Calendar on March 7, 2013. Applicant served a copy of the application to the involved cities, counties and regional planning agencies in the service area.

In Resolution ALJ 176-3311 dated March 21, 2013, 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 176-3311.

Waiver of Comment Period

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Section 311(g)(2) of the Public Utilities Code and Rule 14.6(c)(2) of the Commission's Rules of Practice and Procedure, the otherwise applicable 30-day period for public review and comment is 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 per 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 authorized to operate as a PSC providing scheduled passenger transportation between Redding and SMF, with stops en route at Red Bluff, Corning, Orland, and Willows.
2. The Applicant was last granted a fare increase by a tariff filing dated September 20, 2011.
3. The application requests approval to increase each of the Applicant's current fares by \$5 one-way and \$30 round-trip.
4. The application requests approval to continue its ZORF of 20%.
5. The Applicant reports it underestimated costs and the current income is insufficient to both cover costs and compensate owners.
6. The proposed fares are justified under Pub. Util. Code § 454.
7. No protest to the application has been filed.
8. A public hearing is not necessary.
9. A California Environmental Quality Act review is not required for this decision because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment because granting the authority to increase rates does not change the service.

Conclusions of Law

1. The application should be granted.
2. Because 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. First Class Shuttle, a corporation, is authorized under Pub. Util. Code § 454 to increase its passenger fares for one-way service by \$5 from \$65 to \$70, and for round-trip service by \$30 from \$105 to \$135, as shown in its application.

2. First Class Shuttle is authorized to continue its Zone of Rate Freedom of 20%.

3. To implement the increases authorized in this decision, First Class Shuttle shall, on or after the effective date of this order, file revised tariff pages in accordance with General Order 158-Series. The revised pages and the fares listed in them shall be made effective no earlier than 10 days after the date of filing.

4. In addition to filing tariffs, First Class Shuttle shall post notices explaining fare increases 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.

5. The authority to increase fares shall expire unless exercised within 90 days after the effective date of this decision.

6. The Application is granted as set forth above.

7. This proceeding is closed.

This order is effective today.

Dated _____, at San Francisco, California.