

Decision 11-03-015 March 10, 2011

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Leticia Sosa and Abelardo Perez, dba L&A Shuttle for Passenger Stage Authority under Section 1031 et seq., of the California Public Utilities Code, to transport passengers and baggage express, on an on-call basis between points in the Counties of Imperial, San Diego, Orange, Riverside, San Bernardino and Los Angeles, and between the Los Angeles International Airport, the San Diego International Airport, the Los Angeles/Long Beach Harbors and San Diego Harbors and points in Imperial County; and to Establish a Zone of Rate Freedom under Section 454.2 et seq., of the Public Utilities Code.

Application 11-01-014
(Filed January 10, 2011)

D E C I S I O N

Summary

This decision grants the application of Leticia Sosa and Abelardo Perez (Applicants), a partnership, pursuant to Pub. Util. Code § 1031 et seq., for a 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 zone of rate freedom (ZORF), pursuant to Pub. Util. Code § 454.2.

Discussion

The application requests authority to transport passengers, their baggage, and express¹ as a PSC. Applicants propose to operate three services: (1) “county-to-county” transportation between points in six counties²; (2) between points within Imperial County; and (3) between points in Imperial County, on the one hand, and Los Angeles International (LAX) and San Diego International (SAN) Airports, Los Angeles/Long Beach Harbors (HBR), and San Diego Harbor, on the other hand. The customer base will be primarily Spanish speaking families, business people, and commuters whose need for competitive, licensed transportation service is not currently being met. According to Applicants, members of this community are particular about the type of transportation they use, and their choice of transportation provider is usually based on common language and price. Applicants belong to the community and have a clear understanding of its culture and transportation needs. They have held a charter-party carrier permit from the Commission since July 2010.

The services will operate daily between 4 a.m. and 10 p.m. A reservation 24 hours in advance will be required to guarantee service. The county-to-county and Imperial County services will offer passengers the convenience of flexible pickup and drop-off points. The airport/harbor shuttle service will operate on a door-to-door basis. Operations will be conducted with eight 14-passenger vans, with some of the vehicles being provided by licensed charter-party subcarriers.

¹ Express shipments will be limited to packages and unaccompanied baggage weighing not more than 30 pounds per item.

² The counties to be served are Imperial, San Diego, Orange, Los Angeles, San Bernardino, and Riverside.

Attached to the application as Exhibit D is Applicants' unaudited balance sheet as of October 10, 2010, which discloses assets of \$187,100, liabilities of \$19,000, and net worth of \$168,100.

The proposed fares, as shown in Exhibit B of the application, range between \$10 and \$80 for the county-to-county service, between \$8 and \$50 for the Imperial County service, and between \$100 and \$200 for the door-to-door airport/harbor shuttle service. Applicants request authority to establish a ZORF of \$5 above and below the proposed fares of \$20 and under, \$10 above and below the proposed fares greater than \$20 and less than \$40, and \$20 above and below the proposed fares of \$40 and over. The minimum fare will be \$5. Applicants will compete with other PSCs, public transit, taxicabs, charter vehicles, and private automobiles in their service areas. This competitive environment should result in Applicants pricing their 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.

Notice of filing of the application appeared in the Commission's Daily Calendar on January 25, 2011. 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 six cities and the involved counties, and mailed a copy of the application to the affected airports and five regional public transit operators. 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 city and public transit operator in the service territory would be burdensome.

In Resolution ALJ 176-3268 dated January 27, 2011, 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 176-3268.

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

Richard Clark is the assigned Examiner in this proceeding.

Findings of Fact

1. Applicants request authority to operate as an on-call PSC to transport passengers, their baggage, and express (a) between points in the Counties of Imperial, San Diego, Orange, Los Angeles, San Bernardino, and Riverside; (b) between points within Imperial County; and (c) between points in Imperial County, on the one hand, and LAX, SAN, HBRS, and San Diego Harbor, on the other hand.

2. Applicants request authority to establish a ZORF of \$5 above and below the proposed fares of \$20 and under, \$10 above and below the proposed fares greater than \$20 and less than \$40, and \$20 above and below the proposed fares of \$40 and over, as shown in Exhibit B of the application. The minimum fare will be \$5.

3. Applicants will compete with other PSCs, public transit, taxicabs, charter vehicles, and private automobiles in their operations. The ZORF is fair and reasonable.

4. 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 six cities and the involved counties, and mailed a copy of the application to the affected airports and five regional public transit operators.

5. Public convenience and necessity requires the proposed service.

6. No protest to the application has been filed.

7. A public hearing is not necessary.

8. 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 to waive the notice requirements of Rule 3.3(b) should be granted.

3. The request for a ZORF should be granted.

4. Before Applicants change any fares under the ZORF authorized below, 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.

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. A certificate of public convenience and necessity (CPCN) is granted to Leticia Sosa and Abelardo Perez (Applicants), a partnership, authorizing them to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226, to transport passengers, their baggage, and express between the points and over the routes set forth in Appendix PSC-26219, subject to the conditions contained in the following paragraphs.

2. Applicants 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 General Orders Series 101 and 158, and the California Highway Patrol (CHP) safety rules.
- e. Comply with the Commission's 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 Vehicle Code § 1808.1.

3. Applicants are authorized under Pub. Util. Code § 454.2 to establish a zone of rate freedom (ZORF) of \$5 above and below the proposed fares of \$20 and under, \$10 above and below the proposed fares greater than \$20 and less than \$40, and \$20 above and below the proposed fares of \$40 and over, as shown in Exhibit B of the application. 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. Applicants are authorized to begin operations 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.

7. 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.

8. The CPCN to operate as PSC-26219, granted herein, expires unless exercised within 120 days after the effective date of this decision.

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

10. The Application is granted as set forth above. This proceeding is closed.
This decision is effective today.

Dated March 10, 2011, at San Francisco, California.

MICHAEL R. PEEVEY
President
TIMOTHY ALAN SIMON
MICHEL PETER FLORIO
CATHERINE J.K. SANDOVAL
Commissioners

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION
PSC-26219

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.

Leticia Sosa and Abelardo Perez, a partnership, by the certificate of public convenience and necessity granted by the decision noted in the foot of the margin, are authorized to transport passengers, their baggage, and express 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. No passengers shall be transported in "door-to-door" service except those having a point of origin or destination as described in Section IIB.
- 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.

SECTION II. SERVICE AREAS.

- A. Points in the Counties of Imperial, San Diego, Orange, Los Angeles, San Bernardino, and Riverside
- B. Los Angeles International Airport
San Diego International Airport
Los Angeles/Long Beach Harbors
San Diego Harbor

SECTION III. ROUTE DESCRIPTIONS.

County-to-County Service

Commencing from any point in a county described in Section IIA, then over the most convenient streets and highways to any point in another county described in Section IIA.

Imperial County Service

Commencing from any point in Imperial County, then over the most convenient streets and highways to any other point in Imperial County.

Door-to-Door Service

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