

ALJ/KLK/avs

Decision 01-09-007 September 6, 2001

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Michael R. Parodie to transfer control of his passenger stage authority PSC-6382, pursuant to the provisions of § 851, et seq., Public Utilities Code, to Grupo Azteca, LLC; to extend the authority of PSC-6382; and to establish a Zone of Rate Freedom (ZORF) under § 454.2 of the Public Utilities Code.

Application 01-05-054
(Filed May 29, 2001)

O P I N I O N

Summary

This decision grants the application to transfer, pursuant to Pub. Util. Code § 851 et seq., a passenger stage corporation (PSC) certificate from Michael R. Parodie (Transferor), an individual, to Grupo Azteca, LLC (Transferee), a limited liability company, and Transferee to extend the authority. Transferee is authorized to establish a Zone of Rate Freedom (ZORF), pursuant to Pub. Util. Code § 454.2.

Discussion

Transferor holds a certificate of public convenience and necessity (CPCN) to operate as a PSC, as defined in Pub. Util. Code § 226. The certificate authorizes Transferor to transport persons and their baggage on an on-call basis between certain points in San Diego County, on the one hand, and San Diego

International Airport, on the other hand. This authority was granted by Decision (D.) 90-09-016.

Transferor and Transferee entered into a Purchase Agreement wherein the Transferor will sell his PSC certificate, equipment, telephone numbers, fictitious names, other assets and goodwill pertaining to the transportation business to Transferee. The total purchase price is \$150,000.

The application, as amended by letter of July 18, 2001, requests to extend Transferor's authority to include all points in San Diego County and San Diego International Airport (SAN).

Transferee also requests authority to establish a ZORF of \$20 above and below the authorized tariff fares filed with the Commission. The minimum fare is \$5 per adult passenger. Transferee will compete with other PSCs, taxicabs, limousines, buses, and automobiles in its service area. The establishment of the ZORF is fair and reasonable.

Exhibit F is Transferee's unaudited Balance Sheet as of March 30, 2001, that discloses assets of \$219,210, liabilities of \$32,966 and member's equity of \$186,244.

Notice of filing of the application appeared in the Commission's Daily Calendar on May 31, 2001.

In Resolution ALJ 176-3065 dated June 14, 2001, 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 176-3065.

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.

Findings of Fact

1. Transferor is operating as a PSC pursuant to a CPCN described in Appendix PSC-6382 of D.90-09-016.
2. Transferor has agreed to transfer the CPCN described in PSC-6382 to Transferee.
3. The amended application requests to extend Transferor's authority to include all points in San Diego County and SAN.
4. Transferee also requests authority to establish a ZORF of \$20 above and below the authorized tariff fares filed with the Commission. The minimum fare is \$5 per adult passenger.
5. Transferee will compete with other PSCs, taxicabs, limousines, buses, and automobiles in its service area. The establishment of the ZORF is fair and reasonable.
6. The proposed transfer will not be adverse to the public interest.
7. No protest to the application has been filed.
8. A public hearing is not necessary.
9. 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. The proposed transfer and the extension of service area are in the public interest and should be authorized.
2. The request for a ZORF should be granted.

3. Before Transferee changes any fares under the ZORF authorized below, Transferee shall give this Commission at least 10 days' notice. The filing of ZORF fares should be shown in the tariff showing between each pair of service points the high and low ends of the ZORF and the then currently effective fare.

4. Since the matter is uncontested, the decision should be effective on the date it is signed.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

O R D E R

IT IS ORDERED that:

1. Within 120 days from the effective date of this decision, Michael R. Parodie (Transferor), an individual, may transfer the operative rights specified in this application to Grupo Azteca, LLC (Transferee), a limited liability company, subject to the conditions contained in the following paragraphs.

2. Upon completion of sale and transfer, Transferee is granted a certificate of public convenience and necessity (CPCN) and to extend its service area 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 route set forth in Appendix PSC-14007.

3. Transferee shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.

- c. Adopt Transferor's tariffs and timetables, state in them when the service will start, make them effective 10 or more days after this order is effective and allow at least 10 days' notice to the Commission.
 - d. Comply with General Orders Series 101, 104, and 158, and the California Highway Patrol (CHP) safety rules.
 - e. Comply with the controlled substance and alcohol testing certification program pursuant to Pub. Util. Code § 1032.1 and General Order Series 158.
 - f. Maintain accounting records in conformity with the Uniform System of Accounts.
 - g. Remit to the Commission the Transportation Reimbursement Fee required by Pub. Util. Code § 423 when notified by mail to do so.
 - h. Comply with Pub. Util. Code §§ 460.7 and 1043, relating to the Workers' Compensation laws of this state.
 - i. Enroll all drivers in the pull notice system as required by Section 1808.1 of the Vehicle Code.
4. Transferee is authorized under Pub. Util. Code § 454.2 to establish a ZORF of \$20 above and below the tariff fares filed with the Commission. The minimum one-way adult fare is \$5.
5. Transferee shall file a ZORF tariff in accordance with the application on not less than 10 days' notice to the Commission and to the public. The ZORF shall expire unless exercised within 120 days after the effective date of this order.
6. Transferee may make changes within the ZORF by filing amended tariffs on not less than 10 days' notice to the Commission and to the public. The tariff shall include between each pair of service points the authorized maximum and minimum fares and the fare to be charged.
7. In addition to posting and filing tariffs, Transferee 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.

8. Transferee is authorized to begin operations on the date that the Rail Safety and Carriers Division mails a notice to Transferee that its evidence of insurance and other documents required by Ordering Paragraph 3 have been filed with the Commission and that the CHP has approved the use of Transferee's vehicles for service.

9. The CPCN granted to Transferor by Decision 90-09-016 is revoked on the date Transferee is notified that it may commence operations as provided in Ordering Paragraph 8.

10. Before beginning service to any airport, Transferee shall notify the airport's governing body. Transferee shall not operate into or on airport property without authority from the airport's governing body.

11. The CPCN to operate as PSC-14007, granted herein, expires, unless exercised within 120 days after the effective date of this order.

12. The Application, as amended by letter of July 18, 2001, is granted as set forth above.

13. This proceeding is closed.

This order is effective today.

Dated September 6, 2001, at San Francisco, California.

LORETTA M. LYNCH
President
HENRY M. DUQUE
RICHARD A. BILAS
CARL W. WOOD
GEOFFREY F. BROWN
Commissioners

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION
PSC-14007

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.

Supersedes the authority heretofore granted to
Michael R. Parodie, an individual, by D.90-09-016.

Issued under authority of Decision 01-09-007,
dated September 6, 2001, of the Public Utilities Commission
of the State of California in Application 01-05-054.

I N D E X

	Page
SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS.....	2
SECTION II. SERVICE AREAS	3
SECTION III. ROUTE DESCRIPTION	3

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

This certificate supersedes all passenger stage operative authorities granted to Michael R. Parodie, an individual.

Grupo Azteca, LLC, a liability company, 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 points and places as described in Section IIA, and the points described in Section IIB, over and along the route 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 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 AREA.

- A. County of San Diego.
- B. San Diego International Airport (SAN).

SECTION III. ROUTE DESCRIPTION.

Commencing from any point as described in Section IIA, then over the most convenient streets, expressways, and highways to SAN.