

Decision 09-12-029 December 17, 2009

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of My Ride, Inc. for authority to operate as an on-call, door-to-door passenger stage corporation for children aged 5-18 between points in Los Angeles County, and for children aged 10-18 for scheduled round-trip team sports-related travel between points originating in Los Angeles County to points located in Ventura, San Bernardino, Riverside, Orange, San Diego, Imperial, Santa Barbara, and San Luis Obispo Counties, and to establish a Zone of Rate Freedom.

Application 09-10-005
(Filed October 1, 2009)

D E C I S I O N

Summary

This decision grants the application of My Ride, Inc., 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 (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, as supplemented by a letter dated October 29, 2009, requests authority to operate as a PSC specializing in the transportation of children. Applicant plans to offer two kinds of service: (1) transportation of children aged 5-17 between home, school, and after-school activities in Los Angeles County and (2) round-trip transportation of children aged 10-17 for

sports-related travel starting at points in Los Angeles County to points in Los Angeles, Ventura, San Bernardino, Riverside, Orange, San Diego, Imperial, Santa Barbara, and San Luis Obispo Counties.¹

Applicant advises that current transportation options for children in the Los Angeles area are limited. Many private schools do not offer bus service. Transportation is needed by children playing league sports at neighborhood parks and recreation centers and by those who take after-school classes in such activities as karate, dance, and acting. Parents with more than one child and dual-income parents often find it difficult to accommodate their children's busy schedules. Applicant proposes to offer a service that meets these needs for children aged 5-17.

Applicant also indicates there is a need for the transportation of children who participate in "club" and other league sports on weekends at locations in Los Angeles and surrounding counties. This service will be available to pre-teens and teenagers (ages 10-17) who need round-trip transportation to their playing venues. Although traveling together as a group, each passenger will be charged separately.

The service will utilize eight-passenger SUVs. Operations will commence with two vehicles. Additional vehicles will be added as conditions warrant.

In parts of the application the proposed service is referred to as "scheduled." While in some instances the timing of the transportation may be fairly regular (travel between home and school, for example), the service will

¹ The application caption refers to children aged "5-18" and "10-18." Applicant has clarified that it means to refer to children under, not through, the age of 18 years.

essentially operate based on the demands of passengers. Therefore, it is more appropriate to characterize it as “on-call.”

In addition to the requirements the Commission has established for this special type of PSC transportation, Applicant will provide the following services: text messaging to parents upon pick-up of their child; text messaging updates in the event of traffic or other delays; GPS tracking; uniformed drivers; and pre-registration, ID cards, and pass codes to ensure that riders and those that receive them at the drop-off location are authorized by the riders’ parents. Additionally, Applicant has entered into a licensing agreement with a firm that has been operating a child transportation business in Texas for several years. The licensing agreement will give Applicant access to the forms, business plans, marketing materials, Web site design, employment materials, and routing and scheduling information the Texas firm has employed successfully in its business.

Applicant indicates it has the knowledge and ability to conduct the proposed operation. Its owner, Stephanie Kaufman, has been a practicing attorney in California since 1992. She received an undergraduate business degree in Finance from the University of Pennsylvania and obtained her law degree from Georgetown University. Kaufman has already invested \$15,000 into the business, which Applicant believes is adequate to meet the company’s needs to enter the market. Applicant also states that ample funds and credit are available through Kaufman to continue to support the business.

The proposed fares are based on mileage and range between \$10 and \$80. Applicant requests authority to establish a ZORF of 50% above and below the proposed fares. While public transit is available for shorter trips, and taxicabs and charter vehicles are available throughout the service territory, the principal competition for this type of service is the private automobile. If Applicant prices its service too high, parents will likely transport their children themselves or seek

other arrangements, such as carpooling. This should serve to keep Applicant's fares at a reasonable level under the ZORF.

Decision (D.) 97-07-063 in Rulemaking 95-08-002 adopted rules applicable to carriers primarily engaged in the transportation of unaccompanied children² under the age of 18 years in vehicles that accommodate not more than 10 persons. These rules, contained in Appendix A of the decision, are applicable to the requested service of Applicant, and are in addition to any other requirements that apply to all PSCs.

In accordance with the requirements of Appendix A of D.97-07-063, Applicant's owner had her name entered into the TrustLine Registry.³ Under our rules, any future drivers or personnel coming into physical contact with infant and children passengers will also have to be registered with the TrustLine.

Notice of filing of the application appeared in the Commission's Daily Calendar on October 7, 2009. Applicant requests a waiver from the requirements of Rule 3.3(b) of the Commission's Rules of Practice and Procedure which require service of a notice of the application on all city and county officials within whose boundaries the passengers will be loaded and unloaded. It also seeks a waiver of certain notice requirements of Ordering Paragraphs 7 and 8 of D.97-07-063, specifically, to notify the superintendent of each public school district in the

² The term "unaccompanied children" as used in D.97-07-063 includes transportation of an affiliated adult accompanying a child during, or incidental to, the transportation at issue.

³ The TrustLine Registry is a screening program of caregivers administered by the state Department of Social Services and the nonprofit California Child Care Resource and Referral Network. Caregivers registered with the TrustLine have been fingerprinted and have cleared a criminal background check by the state Department of Justice.

proposed service area and to have a notice published in a newspaper of general circulation in each community proposed to be served.

Applicant served a notice of the application to the involved counties, each county Office of Education and Department of Public Health, the affected public transit agencies, officials of the Cities of Los Angeles, Santa Monica, and Beverly Hills, and the Unified School Districts of Beverly Hills and Santa Monica-Malibu. Additionally, a notice was published in the *Metropolitan News-Enterprise*, a California newspaper of general circulation in the City of Los Angeles and the County of Los Angeles. Applicant states that the vast majority of its passengers will reside in the cities or attend school in the districts it served. The newspaper in which a notice was published is circulated in this area. Therefore, Applicant believes the parties that may have an interest in the application have received notice. Generally, transportation involving other parts of the service territory will be part of a round-trip service that originates in Applicant's core service area. Applicant states that meeting the notice requirements for the many cities and school districts located in the rest of the service territory would be burdensome and unnecessary. Applicant notes that all parties that have an interest in these matters have access to the Commission's Daily Calendar. In the circumstances, Applicant's request is reasonable and therefore will be granted.

In Resolution ALJ 176-3242 dated October 15, 2009, 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 176-3242.

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. The application requests authority to operate as an on-call PSC to transport children between points in Los Angeles County, on the one hand, and points in Los Angeles County and eight other counties, on the other hand.

2. Public convenience and necessity requires the proposed service.

3. The rules and regulations for the transportation of children contained in Appendix A of D.97-07-063 are applicable to the service involved in this application.

4. Applicant's owner is registered in the TrustLine Registry.

5. Applicant requests authority to establish a ZORF of 50% above and below any of the proposed fares.

6. Applicant will compete with other forms of transportation in its service territory. The ZORF is fair and reasonable.

7. Applicant requests partial waivers from the notice requirements of Rule 3.3(b) of the Rules of Practice and Procedure and Paragraphs 7 and 8 of D.97-07-063 as it has served notice of the application to the involved counties, each county Office of Education and Department of Health, three cities, two school districts, and the affected public transit agencies, and had a notice published in the *Metropolitan News-Enterprise*, a California newspaper of general circulation.

8. No protest to the application has been filed.

9. A public hearing is not necessary.

10. 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. Applicant should be required to comply with the rules and regulations contained in Appendix A of D.97-07-063, in addition to any other requirements applicable to all PSCs.
3. The request for a ZORF should be granted.
4. The request for a partial waiver of the notice requirements of Rule 3.3(b) and Paragraphs 7 and 8 of D.97-07-063 should be granted.
5. Before Applicant changes any fares under the ZORF authorized below, Applicant should give this Commission at least 10 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.
6. 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 My Ride, Inc., a corporation, authorizing it to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226, to transport unaccompanied children under the age of 18 years and affiliated adults who are being transported in accordance with the rules and regulations contained in Appendix A of Decision 97-07-063, and their baggage, between the points and over the routes set forth in Appendix PSC-25562, subject to the conditions contained in the following paragraphs.

2. Applicant 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 10 days or more after the effective date of this decision, provided that the Commission and the public are given not less than 10 days' notice.
- 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. 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.
- i. Comply with the "Adopted Rules for Infant and Children Common Carriers" contained in Appendix A of Decision 97-07-063.

3. Applicant is authorized under Pub. Util. Code § 454.2 to establish a zone of rate freedom (ZORF) of 50% above and below any of the proposed fares described in the application.

4. Applicant 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 decision.

5. Applicant 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 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, Applicant shall post notices explaining fare changes in its terminals and passenger-carrying vehicles. Such notices shall be posted at least 10 days before the effective date of the fare changes and shall remain posted for at least 30 days.

7. Applicant is authorized to begin operations on the date that the Consumer Protection and Safety 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 CHP has approved the use of Applicant's vehicles for service.

8. Before beginning service to any airport, 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 CPCN to operate as PSC-25562, granted herein, expires unless exercised within 120 days after the effective date of this decision.

10. The notice requirements of Rule 3.3(b) of the Commission's Rules of Practice and Procedure and of Paragraphs 7 and 8 of Decision 97-07-063 are waived as notice of the application has been served upon parties that may have an interest in this proceeding.

11. The Application is granted as set forth above.

12. This proceeding is closed.

This decision is effective today.

Dated December 17, 2009, at San Francisco, California.

MICHAEL R. PEEVEY

President

DIAN M. GRUENEICH

JOHN A. BOHN

RACHELLE B. CHONG

TIMOTHY ALAN SIMON

Commissioners

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION
PSC-25562

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.

♦Each vehicle shall contain this identifying symbol on its front and rear bumpers,
visible at a minimum of 100 feet in accordance with the rules contained in Appendix A
of Decision 97-07-063.

Issued under authority of Decision 09-12-029, dated December 17, 2009, of the
Public Utilities Commission of the State of California in Application 09-10-005.

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♦Each vehicle shall contain this identifying symbol on its front and rear bumpers, visible at a minimum of 100 feet in accordance with the rules contained in Appendix A of Decision 97-07-063.

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

My Ride, Inc., a corporation, by the certificate of public convenience and necessity granted by the decision noted in the foot of the margin, is authorized to operate as an on-call, door-to-door passenger stage corporation specializing in the transportation of children 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. Unaccompanied children under 18 years of age and their baggage may be transported, provided that children under four years of age shall be accompanied by a parent, guardian, parent or guardian approved family member, or an adult supervisor. If the adult supervisor is affiliated with the carrier, that person shall have been approved in writing by the parent or guardian
- B. Adults affiliated with children passengers may be transported when the transportation is incidental to the transportation of a child. This includes adults being carried directly to pick up a child to be transported, or directly to return from accompanying a child.

♦Each vehicle shall contain this identifying symbol on its front and rear bumpers, visible at a minimum of 100 feet in accordance with the rules contained in Appendix A of Decision 97-07-063.

SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS,
LIMITATIONS, AND SPECIFICATIONS (concluded).

- D. 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.
- E. 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.

♦Each vehicle shall contain this identifying symbol on its front and rear bumpers, visible at a minimum of 100 feet in accordance with the rules contained in Appendix A of Decision 97-07-063.

SECTION II. SERVICE AREA.

Points in the following counties:

Imperial	San Diego
Los Angeles	San Luis Obispo
Orange	Santa Barbara
Riverside	Ventura
San Bernardino	

SECTION III. ROUTE DESCRIPTION.

Commencing from any point in Los Angeles County, then over the most convenient streets and highways to any point described in Section II, and return.

♦Each vehicle shall contain this identifying symbol on its front and rear bumpers, visible at a minimum of 100 feet in accordance with the rules contained in Appendix A of Decision 97-07-063.