

Decision 10-02-024 February 25, 2010

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Kid Courier, LLC for Authority to operate as an on call Passenger Stage Corporation between points in Marin County; and to establish a Zone of Rate Freedom.

Application 09-10-036
(Filed October 16, 2009)

D E C I S I O N

Summary

This decision grants the application of Kid Courier, LLC, 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 December 31, 2009, requests authority to operate as a PSC to transport children between points in Marin County. Applicant reports there is a need for safe, reliable child transportation in Marin County, not only for working parents, but also for stay-at-home parents with multiple children, or those with new infants. It states that all but one of the public school districts have cut their bus services, which leaves the county bus system as the only option for some families. Applicant wishes to meet the needs of these families by providing a service to transport children to and from school, home, after school care, sports practice, and other activities. In addition to providing a valuable service to families, Applicant believes that

removing many cars from the roads will have a positive effect on the environmental health of the county. The service will operate on an on-call, door-to-door basis using nine-passenger vans.

Applicant indicates it has the knowledge and ability to conduct the service. Its owner, Kimberly Sauv , previously owned and directed a Montessori preschool. As manager, she hired and oversaw employees who were in direct contact with children. The school staff worked directly with the involved state licensing agency, which conducted regular safety visits. In operating the school, Sauv  gained experience in managing finances, marketing, and customer service. In fact, it was the contacts with parents at the time that prompted her to form Kid Courier, LLC to meet a need that was expressed by many. Applicant's financial statement dated December 31, 2009, shows that Suav  has made an initial investment of \$25,000 in the business.

The proposed one-way and round-trip fares range from \$12 to \$16 and \$22 to \$30, respectively. Discounted weekly fares range from \$55 to \$75 one-way and \$100 to \$140 round-trip. Applicant requests authority to establish a ZORF of \$5 above and below the one-way fares and \$10 above and below the round-trip fares. While public transit and taxicabs are available in the service area, 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 children¹ under the age of 18 years in vehicles that accommodate not more than ten 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, Sauvé had her name entered into the TrustLine Registry.² 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. Department of Motor Vehicles records show that Sauvé holds a valid driver's license.

Notice of filing of the application appeared in the Commission's Daily Calendar on November 10, 2009. Applicant notified Marin County and the involved cities and transit agencies. Additionally, in compliance with Ordering Paragraphs 7 and 8 of D.97-07-063, Applicant sent a notice of the application to the county Department of Public Health and the superintendent of each public school district in the proposed service area, and had a notice published on November 13 and 14, 2009, in the *Marin Independent Journal*, a California newspaper of general circulation.

¹ 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.

² 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.

In Resolution ALJ 176-3244 dated November 20, 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 176-3244.

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 Marin County.
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 has complied with the notice requirements prescribed in Ordering Paragraphs 7 and 8 of D.97-07-063.
5. Applicant's owner is registered in the TrustLine Registry.
6. Applicant requests authority to establish a ZORF of \$5 above and below and \$10 above and below, respectively, any of the proposed one-way and round-trip fares.
7. Applicant will compete with taxicabs, public transit, and private automobiles in its service area. The ZORF is fair and reasonable.
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. Before Applicant changes any fares under the ZORF authorized below, 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 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 Kid Courier, LLC (Applicant), a limited liability company, 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-25718, 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 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, 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 \$5 above and below and \$10 above and below, respectively, the one-way and round-trip fares described in the application.

4. Applicant 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. Applicant 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. 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 ten days before the effective date of the fare changes and shall remain posted for at least thirty 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-25718, granted herein, expires unless exercised within 120 days after the effective date of this decision.

10. The Application is granted as set forth above.

11. This proceeding is closed.

This decision is effective today.

Dated February 25, 2010, at San Francisco, California.

MICHAEL R. PEEVEY
President

DIAN M. GRUENEICH
JOHN A. BOHN
TIMOTHY ALAN SIMON
NANCY E. RYAN
Commissioners

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION
PSC-25718

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.

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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.

Kid Courier, LLC, a limited liability company, 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. When a route description is given in one direction, it applies to operation in either direction unless otherwise indicated.
- E. 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.
- F. 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 Marin County.

SECTION III. ROUTE DESCRIPTION.

Commencing from any point described in Section II,
then over the most convenient streets and highways to
any other point described in Section II.

♦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.