

Decision 10-04-015 April 8, 2010

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of Avenue Transportation Limo Service LLC, for authority to operate as a passenger stage corporation between points in San Francisco, Alameda, and Contra Costa Counties and the San Francisco, Oakland and San Jose International Airports and to Establish a Zone of Rate Freedom.

Application 10-01-007  
(Filed January 12, 2010)

**D E C I S I O N**

**Summary**

This decision grants the application of Avenue Transportation Limo Service LLC (Applicant), a Nevada limited liability company, 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 operate as an on-call PSC to transport passengers and their baggage between points in Alameda, Contra Costa, and San Francisco Counties, on the one hand, and San Francisco (SFO), Oakland (OAK), and San Jose (SJC) International Airports, on the other hand. Applicant states that the demand for local airport transportation is increasing. Traffic congestion on the highways and at the airports, higher parking fees, and shortages of parking areas during peak travel periods have caused many people to seek and

utilize door-to-door shuttle services. Applicant indicates that governmental agencies are encouraging the use of shared-ride services in an effort to reduce highway congestion and environmental problems caused by the large volumes of private vehicles moving to and from airports.

Applicant advises it has the knowledge and ability to conduct the proposed service. Its managers have been employed by passenger carriers in the San Francisco area for over seven years as drivers, dispatchers, and managers. In these capacities, they have gained extensive knowledge and experience concerning the public's transportation requirements and the problems and procedures involved in providing an airport shuttle service. Operations will be conducted initially with an 8-passenger van and a 5-passenger sedan. Exhibit F of the application is a balance sheet for the company owners, Anabelle Hakim and Fuad Al-Sharabi, that discloses assets of \$465,000, liabilities of \$221,500, and net worth of \$243,500. Applicant is a new company, and the funds needed to commence operations will be advanced by Hakim and Al-Sharabi.

The proposed fares, as shown in Exhibit D of the application, range between \$24 (Alameda - OAK) and \$89 (Antioch - SJC). Applicant requests authority to establish a ZORF of \$10 above and below the proposed fares of \$30 and under and \$25 above and below the proposed fares over \$30. The minimum fare will be \$5. Applicant will compete with other PSCs, taxicabs, charter limousines and sedans, public transit, and private automobiles in its service area. This highly competitive environment should result in Applicant pricing its 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 13, 2010. Applicant requests a waiver from the provisions 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 or unloaded. Applicant served a notice to the involved airports and counties, nine cities, and the public transit operators and transportation planning agency in the service area. Applicant believes 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 Applicant because it will be providing on-call service, not scheduled service, and service on all cities in the service territory would be burdensome.

In Resolution ALJ 176-3247 dated January 21, 2010, 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 176-3247.

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. Applicant requests authority to operate as an on-call PSC to transport passengers and their baggage between points in Alameda, Contra Costa, and San Francisco Counties, on the one hand, and SFO, OAK, and SJC, on the other hand.
2. Public convenience and necessity requires the proposed service.

3. Applicant requests authority to establish a ZORF of \$10 above and below the proposed fares of \$30 and under and \$25 above and below the proposed fares over \$30, as shown in Exhibit D of the application. The minimum fare will be \$5.

4. Applicant will compete with PSCs, taxicabs, charter limousines and sedans, public transit, and private automobiles in its operations. The ZORF is fair and reasonable.

5. Applicant requests a waiver of the notice requirements of Rule 3.3(b) of the Rules of Practice and Procedure as it has served a notice to the involved airports and counties, nine cities, and the public transit operators and transportation planning agency in the service area.

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 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 Avenue Transportation Limo Service LLC (Applicant), a Nevada limited liability company, 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 routes set forth in Appendix PSC-25192, 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 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.

3. Applicant is authorized under Pub. Util. Code § 454.2 to establish a zone of rate freedom (ZORF) of \$10 above and below the proposed fares of \$30 and under and \$25 above and below the proposed fares over \$30, as shown in Exhibit D of the application. The minimum fare will be \$5.

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 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-25192, 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 are waived as a notice of the application has been served on 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 April 8, 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-25192

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Showing passenger stage operative rights, restrictions,  
limitations, exceptions, and privileges.

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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.

Avenue Transportation Limo Service LLC, a Nevada 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 transport passengers and their baggage 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 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. Points in the Counties of Alameda, Contra Costa, and San Francisco.
- B. San Francisco International Airport (SFO).  
Oakland International Airport (OAK).  
San Jose International Airport (SJC).

SECTION III. ROUTE DESCRIPTION.

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