

Decision 10-06-008 June 3, 2010

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of MY KIDS DRIVER, LLC for authority to operate as a scheduled Passenger Stage Corporation between points from Burbank to Calabasas and to establish a Zone of Rate Freedom.

Application 10-03-022
(Filed March 8, 2010)

D E C I S I O N

Summary

This decision grants the application of My Kids Driver, 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 correspondence dated April 25, 2010, requests authority to operate as a PSC to transport children between points located in and near the San Fernando Valley¹. Applicant states its service will alleviate a common stress for busy parents who want their children to be

¹ Most of the San Fernando Valley is within the boundaries of the City of Los Angeles, but several other cities are also located within the Valley. In addition to points in the City of Los Angeles, Applicant will serve the Cities of Burbank and Calabasas. The service territory includes some westside Los Angeles neighborhoods south of the Valley, including Bel Air and Beverly Glen.

involved in extracurricular activities. Many families have two working parents. In other cases the one parent available cannot be in two places to deliver multiple children to varied activities at the same time. Los Angeles area traffic can be unpredictable and commute times may vary from 20 minutes to over an hour on any given day. Applicant indicates it will provide an essential service that families will be able to rely on.

Applicant plans to launch its on-call, door-to-door service² using two vans in the Sherman Oaks, Encino, and Studio City neighborhoods of Los Angeles. It will expand the service gradually by adding vans and offering service in a larger area, eventually operating throughout the service territory. Applicant's owners, Layne and Thomas Walker, are a married couple with two children. They report having extensive experience in caring for and transporting children to and from daycare, pre-school, and extracurricular activities. Both have considerable business experience. Attached to the application as Exhibit E is a personal financial statement for the Walkers that discloses assets of \$1,789,000, liabilities of \$908,000, and net worth of \$881,000.

The proposed fares range from \$14 to \$27. Applicant will publish discounted fares in its tariff for frequent users of the service. Applicant requests authority to establish a ZORF of \$10 above and below the proposed 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

² While the application caption refers to "scheduled" service, the service described in the application is closer to an on-call service. Applicant confirmed in its April 20, 2010, correspondence that the service should be characterized as on-call.

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 children³ 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, Layne and Thomas Walker have had their names entered into the TrustLine Registry⁴. 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 April 1, 2010. Applicant mailed a copy of the application to the public transit operator in the service territory, and sent a notice of the application to the Cities of Los Angeles, Burbank, and Calabasas, and Los Angeles County. Additionally, in compliance with Ordering Paragraphs 7 and 8 of D.97-07-063, Applicant sent a notice to the county Department of Public Health and the

³ 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.

⁴ 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.

superintendent of each public school district in the proposed service area, and had a notice published on April 22, 2010, in the *San Fernando Valley Sun*, a California newspaper of general circulation.

In Resolution ALJ 176-3251 dated April 8, 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 176-3251.

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 and near the San Fernando Valley.
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 owners are registered in the TrustLine Registry.
6. Applicant requests authority to establish a ZORF of \$10 above and below the proposed fares described in the application.

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 My Kids Driver, 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-26259, 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 \$10 above and below the 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-26259, 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 June 3, 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-26259

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.

My Kids Driver, 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 located within and south of the San Fernando Valley, including a portion of the City of Los Angeles and the Cities of Burbank and Calabasas. The service area has the following boundaries:

Western Boundary

From the north end of Box Canyon Road, south to Valley Circle Blvd.; south on Valley Circle Blvd. (including Lakeside Park and Hidden Hills) to the City of Calabasas.

Southern Boundary

From the City of Calabasas, east on Mulholland Drive to Highway I-405; south on Highway I-405 to West Sunset Blvd; east on West Sunset Blvd. to U.S. Highway 101; north on U.S. Highway 101 to State Highway 134; east on State Highway 134 to Highway I-5.

Eastern Boundary

Highway I-5 north from State Highway 134 to State Highway 118.

Northern Boundary

State Highway 118 west from Highway I-5 to a point north of Box Canyon Road.

♦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 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.