

Decision 08-12-012 December 4, 2008

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Affordable Airport Shuttle, LLC, for Passenger Stage Authority under § 1031, et seq., of the California Public Utilities (PU) Code, to transport passengers on a regularly scheduled basis between the Irvine MetroLink/ Amtrak Station, John Wayne Airport (SNA), Long Beach Airport (LGB), Los Angeles International Airport (LAX) and points in the City of Anaheim (described in the body of the Application); and to establish a Zone of Rate Freedom (ZORF) under § 454.2 et seq., of the PU Code.

Application 08-08-013
(Filed August 21, 2008)

D E C I S I O N

Summary

This decision grants the application of Affordable Airport Shuttle, LLC (Applicant), a 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 a scheduled PSC to transport passengers and their baggage between the Irvine Metrolink/ Amtrak Station, points in the City of Anaheim, John Wayne Airport (SNA), Long Beach Airport (LGB), and Los Angeles International Airport (LAX). The service will operate hourly between 5:00 a.m. and 11:00 p.m.

Applicant anticipates its customer base will be predominately members of the Asian community who are seeking safe, reliable, scheduled transportation between the three airports, the Metrolink Station, and the business center of Anaheim. Applicant indicates that a greater number of business people and other visitors are traveling between the United States and China, Vietnam, India, and other Asian countries as a result of improved trade relations and favorable immigration laws. It believes these customers will prefer its scheduled service over on-call shuttles, charter vehicles, and taxi services. Its multilingual drivers will be able to offer passengers assistance in their own languages.

Applicant maintains it has the knowledge and ability to conduct the proposed service. It states its owners are respected members of the Asian community who are familiar with the Commission's regulations governing PSC operations and the safety requirements of the California Highway Patrol. The service will operate initially with four 14-passenger minibuses. Attached to the application as Exhibit D is Applicant's unaudited balance sheet dated July 31, 2008, that discloses assets of \$152,500, liabilities of \$27,000, and net worth of \$125,500. Applicant's member-owners will contribute any additional capital necessary to operate and ensure the viability of the service.

The proposed fares range between \$10 (SNA - Metrolink) and \$25 (LAX - Metrolink). Applicant requests authority to establish a ZORF of \$5 above and below the proposed fares of \$20 and under and \$10 above and below the proposed fares over \$20. The minimum fare will be \$5. Applicant will compete with other PSCs, taxicabs, charter limousines and sedans, and private automobiles in its service area. This level of competition 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 August 26, 2008. Applicant served a copy of the application to the three airports, Metrolink, and the public transit operators in the service area, and sent a notice of the application to the involved counties and cities.

In Resolution ALJ 176-3220 dated September 4, 2008, 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 176-3220.

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 a scheduled PSC to transport passengers and their baggage between the Irvine Metrolink/ Amtrak Station, SNA, the City of Anaheim, LGB, and LAX.
2. Public convenience and necessity requires the proposed service.
3. Applicant requests authority to establish a ZORF of \$5 above and below the proposed fares of \$20 and under and \$10 above and below the proposed fares over \$20. The minimum fare will be \$5.
4. Applicant will compete with other PSCs, taxicabs, charter limousines and sedans, and private automobiles in its operations. The ZORF is fair and reasonable.
5. No protest to the application has been filed.

6. A public hearing is not necessary.

7. 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 for a ZORF should be granted.

3. 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.

4. 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 Affordable Airport Shuttle, 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 passengers and their baggage between the points and over the routes set forth in Appendix PSC-24251, 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 \$5 above and below the proposed fares of \$20 and under and \$10 above and below the proposed fares over \$20, as described in Exhibit B of 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 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-24251, 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 December 4, 2008, 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-24251

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.

I N D E X

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

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

Affordable Airport Shuttle, 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 transport passengers and their baggage on a scheduled 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. Service shall be operated only at the points described in Section II. A description of all the stop points and the arrival and departure times from such points shall be indicated in the timetable filed with the Commission.
- C. 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. Los Angeles International Airport (LAX)
- B. Long Beach Airport (LGB)
- C. Points in the City of Anaheim
- D. John Wayne Airport (SNA)
- E. Irvine Metrolink/Amtrak Station

SECTION III. ROUTE DESCRIPTION.

Commencing from Los Angeles International Airport, then over the most convenient streets and highways to the other points named in Section II.