

Decision 08-12-037 December 18, 2008

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of American Shuttle, LLC for passenger stage authority under § 1031 et seq., of the California Public Utilities (PU) Code, to transport passengers and their baggage, on an on-call, door-to-door basis, between points in the counties of Los Angeles, Orange, Riverside and San Bernardino, on the one hand, and the Airports designated as LGB, LAX, ONT, and Los Angeles/Long Beach Harbors (described in the body of the Application), on the other hand; and to establish a Zone of Rate Freedom (ZORF) under § 454.2, et seq., of the Public Utilities Code.

Application 08-09-026
(Filed September 23, 2008)

D E C I S I O N

Summary

This decision grants the application of American 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 an on-call PSC to transport passengers and their baggage between points in Los Angeles, Orange, Riverside, and San Bernardino Counties, on the one hand, and Los Angeles International

(LAX), Ontario International (ONT), and Long Beach (LGB) Airports, and Los Angeles and Long Beach Harbors (HBR), on the other hand.

Applicant wishes to offer an on-call, door-to-door service that will be available 24 hours per day. It advises that its customer base will be members of the Southeast Asian community, many of whom seek language assistance when arranging to use a shared-ride service. Applicant notes that a greater number of business people and other visitors are traveling between Southern California and Southeast Asia due to favorable immigration laws and the reestablishment of trade relations between the United States and Vietnam. Its drivers will be able to offer passengers assistance in their own language, which Applicant believes will reduce any transportation-related anxiety they might experience.

Applicant maintains it has the knowledge and ability to conduct the proposed service. It explains that its owners are respected members of the Southeast Asian community, and some of them have been employed as dispatchers and drivers for existing PSC operators. Applicant already holds a charter-party carrier permit from the Commission (TCP 23059-P). The PSC operation will be conducted at the outset with a fleet of ten 7-passenger vans. Attached to the application as Exhibit D is an unaudited balance sheet as of August 31, 2008, that discloses assets of \$137,890, liabilities of \$9,840, and net worth of \$128,050. Applicant states its owners will provide any additional financial resources necessary to operate and ensure the viability of the service.

The proposed fares, as shown in Exhibit B of the application, range between \$15 (El Segundo - LAX) and \$300 (Fort Irwin (San Bernardino County)

- HBR5).¹ Applicant requests authority to establish a ZORF of \$5 above and below the proposed fares of \$20 or less, \$10 above and below the proposed fares of \$21 to \$40, and \$20 above and below the proposed fares over \$40. 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 October 7, 2008. 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 copy of the application to the affected airports and the public transit operators in the service area, and sent notice of the application to the involved counties and 14 cities. Applicant states that all parties that have an interest in Commission proceedings have access to the Commission's Daily Calendar. 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 176-3223 dated October 16, 2008, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protest has been received.

¹ These are fares for a single adult passenger. Additional passengers traveling together pay a substantially reduced fare.

Given this status, public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ 176-3223.

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 Los Angeles, Orange, Riverside, and San Bernardino Counties, on the one hand, and LAX, LGB, ONT, and HBRS, on the other hand.
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 or less, \$10 above and below the proposed fares of \$21 to \$40, and \$20 above and below the proposed fares over \$40, as shown in Exhibit B of the application.
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 copy of the application to the affected airports and the public transit operators in the service area, and sent a notice of the application to the involved counties and 14 cities.
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 American 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-23059, 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 or less, \$10 above and below the proposed fares of \$21 to \$40, and \$20 above and below the proposed fares over \$40, as shown 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 order.
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-23059, granted herein, expires unless exercised within 120 days after the effective date of this order.

10. The notice requirements of Rule 3.3(b) of the Commission's Rules of Practice and Procedure are waived as a copy of the application or 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 December 18, 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-23059

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.

American 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 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 Los Angeles, Orange, Riverside, and San Bernardino.
- B. Los Angeles International Airport (LAX).
Long Beach Airport (LGB).
Ontario International Airport (ONT).
Los Angeles and Long Beach Harbors (HBRS).

SECTION III. ROUTE DESCRIPTIONS.

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