

Decision 08-12-036 December 18, 2008

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Christoph H. Monecke and Kristin R. Monecke, doing business as The Santa Cruz Airport Flyer for authority to operate as a scheduled multiple stop shared ride Passenger Stage Corporation between various points in Santa Cruz County and the International Airports located in San Jose and San Francisco; and to establish a Zone of Rate Freedom.

Application 08-09-002
(Filed September 5, 2008)

D E C I S I O N

Summary

This decision grants the application of Christoph H. Monecke and Kristin R. Monecke (Applicants), husband and wife, 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 amended by letter dated November 20, 2008, requests authority to operate as a scheduled PSC to transport passengers and their baggage between points in Santa Cruz County, on the one hand, and San Francisco (SFO) and San Jose (SJC) International Airports, on the other hand. Applicants advise that a carrier which provided similar service for over 40 years recently went out of business. Santa Cruz County, therefore, is in need of a new, reliable, and efficient form of multiple passenger transportation service to SJC

and SFO. According to Applicants, Santa Cruz County has experienced an increase in leisure and business travelers. Additionally, there are thousands of students that visit and live part-time at the University of California at Santa Cruz. Applicants plan to operate nine trips in each direction daily.

Applicants indicate they have the knowledge and ability to operate the proposed service. They have held a charter-party carrier permit from the Commission (TCP 11378-P) since 1997. Applicants state that their experience and professional business practices have enabled their company to maintain financial stability throughout the recent rise in fuel costs and increasing cost of living in the Bay Area. Attached to the application as Exhibit E is Applicants' financial statement that discloses a net worth of \$540,000.

The proposed one-way fares are \$45 to SJC and \$55 to SFO. Applicants request authority to establish a ZORF of \$15 above and below the proposed fares. Applicants will compete with taxicabs, charter limousines and sedans, and private automobiles in their service area. Public transit is also available, although passengers may need to transfer between systems. This level of competition should result in Applicants pricing their 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 September 8, 2008. Applicants served a notice of the application to Santa Cruz County and the involved cities and airports, and a copy of the application to the public transit operators in the service area.

In Resolution ALJ 176-3221 dated September 18, 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 176-3221.

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 points in Santa Cruz County, on the one hand, and SJC and SFO, on the other hand.
2. Public convenience and necessity requires the proposed service.
3. Applicants request authority to establish a ZORF of \$15 above and below the proposed one-way fares of \$45 and \$55.
4. Applicants will compete with taxicabs, charter limousines and sedans, private automobiles, and public transit in their 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 Applicants change any fares under the ZORF authorized below, Applicants 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 Christoph H. Monecke and Kristin R. Monecke (Applicants), husband and wife, authorizing them 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-11378, subject to the conditions contained in the following paragraphs.

2. Applicants 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. Applicants are authorized under Pub. Util. Code § 454.2 to establish a zone of rate freedom (ZORF) of \$15 above and below the proposed fares described in the application.

4. Applicants 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. Applicants 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, Applicants shall post notices explaining fare changes in their 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. Applicants are authorized to begin operations on the date that the Consumer Protection and Safety Division mails a notice to Applicants that their 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 Applicants' vehicles for service.

8. Before beginning service to any airport, Applicants shall notify the airport's governing body. Applicants 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-11378, granted herein, expires unless exercised within 120 days after the effective date of this decision.

10. The Application, as amended, is granted as set forth above.

11. 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-11378

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.

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

Christoph H. Monecke and Kristin R. Monecke, husband and wife, by the certificate of public convenience and necessity granted by the decision noted in the foot of the margin, are 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. No passengers shall be transported except those traveling between a point described in Section IIA and a point 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 Santa Cruz County

B. San Jose International Airport (SJC)
San Francisco International Airport (SFO)

SECTION III. ROUTE DESCRIPTION.

Commencing from any point in Santa Cruz County, then over the most convenient streets and highways to San Jose International Airport, then to San Francisco International Airport.