Decision 25-07-007

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of AUTOBUSES EJECUTIVOS L.L.C. DBA OMNIBUS EXPRESS to operate as a scheduled passenger stage corporation between points in Sacramento County, Los Angeles County, San Diego County, and surrounding counties including Alameda, Monterey, Orange, San Francisco, San Benito, San Bernardino, San Luis Obispo, Santa Barbara, Santa Clara and Ventura, and to establish a Zone of Rate Freedom.

Application 25-01-011 (Filed January 31, 2025)

EXECUTIVE DIRECTOR'S ORDER

Summary

This decision grants the application of AUTOBUSES EJECUTIVOS L.L.C., a Texas limited liability company, doing business as OMNIBUS EXPRESS, pursuant to California Public Utilities Code § 1031 et seq., for a Certificate of Public Convenience and Necessity to operate as a Passenger Stage Corporation as defined in California Public Utilities Code § 226. This application was filed pursuant to the procedures adopted in Decision 15-05-029.

This proceeding is closed.

1.1. Factual Background

AUTOBUSES EJECUTIVOS L.L.C., a Texas limited liability company, doing business as OMNIBUS EXPRESS (Applicant), is requesting that the California Public Utilities Commission (Commission) grant Applicant a Certificate of Public Convenience and Necessity (CPCN) to operate as a Passenger Stage Corporation (PSC). On January 31, 2025, Applicant filed Application (A.) 25-01-011. On June 16, 2025, Applicant filed Supplemental Schedules of Operation and Maps of Routes, and Clarification Regarding Requested Approval of Service Territory. Applicant proposes to operate scheduled passenger transportation between points in the counties of Fresno, Kern, Los Angeles, Madera, Merced, Orange, Riverside, Sacramento, San Bernadino, San Diego, San Joaquin, Stanislaus, and Tulare, including a proposed stop at Cross Border Xpress in San Diego.¹ Applicant is requesting to establish a zone of rate freedom (ZORF) of \$30 above and below its proposed fares.

1.2. Procedural Background

This application is granted pursuant to the procedures adopted in Decision (D.) 15-05-029.

1.3. Submission Date

This matter was submitted on January 31, 2025.

2. Jurisdiction

The Commission regulates PSCs pursuant to California Public Utilities (Pub. Util.) Code § 1031 et seq., and applications for a certificate to operate are governed by the Commission's Rules of Practice and Procedure (Rules), Rule 3.3 Certificate to Operate.

3. Issues Before the Commission

The issues to be determined or otherwise considered are:

1. Whether Applicant's request for a CPCN meets all Commission requirements of Pub. Util. Code §§ 1031 et seq.;

¹ Applicant requested service in several counties along with routes and fares that had little correlation to each other. Applicant subsequently provided detailed routes and fares and requested to abandon three of the counties requested in the application. Still, there was little correlation between the routes and counties requested. This Decision bases its findings on the detailed routes listed in the supplemental filing where the routes show a stop in any given county.

Cross Border Xpress is a terminal in San Diego, California of the Tijuana International Airport located in Mexico.

- Whether Applicant's request for a ZORF is permitted under D.15-05-029;
- 3. Whether Applicant's proposed transportation services comply with the California Environmental Quality Act (CEQA); and
- 4. Whether Applicant's proposed transportation services impact environmental and social justice communities, including the extent to which Applicant's operation in California impacts achievement of any of the nine goals of the Commission's Environmental and Social Justice (ESJ) Action Plan.

4. Discussion

Applicant requests authority to operate as a scheduled fixed-route PSC to transport passengers and baggage along three routes with stops in the counties of Frenso, Kern, Los Angeles, Madera, Merced, Orange, Riverside, Sacramento, San Bernadino, San Diego, San Joaquin, Stanislaus, and Tulare, including a stop at Cross Border Xpress in San Diego.

Proposed fares range from \$10 for transportation between San Ysidro and Cross Border Xpress to \$94 for transportation between Cross Border Xpress and Sacramento.

Applicant requests a ZORF of \$30 above and below the requested fares. D.15-05-029 authorizes the Executive Director to grant a 15% ZORF above and below the granted fares; therefore, a 15% ZORF should be considered.

Applicant proposes twice daily service each way on its San Diego-Huntington Park and San Diego-Sacramento routes and six times daily each way on its San Diego-Riverside-Huntington Park route.

Applicant has a fleet of eight 38-passenger Volvo buses.

Applicant submitted a financial statement showing that, for 2023, Applicant had \$29,617,694 in assets and total liabilities of \$8,887,519 indicating that it has the

financial capability to conduct operations as a PSC pursuant to Pub. Util. Code § 1032(b)(1).²

Applicant will be required to comply with the licensing and insurance requirements in Pub. Util. Code §§ 1031 et seq. and Commission General Orders (GO) 101-E and 158-A, which include having applicant's insurance company file evidence of Public Liability and Property Damage (PL&PD) insurance for any vehicles that Applicant operates; enrollment in a controlled substance and alcohol testing program; and enrollment of all drivers in the Department of Motor Vehicles Employer Pull Notice Program prior to operating as a PSC.

Applicant will compete with other PSCs, taxicabs, transportation network companies (TNCs), charter-party carriers, public transit, and private automobiles in its operations. This highly competitive environment should result in Applicant pricing its services at a reasonable level.

Since the proposed service would reduce the number of vehicles on the public highways between points in California, a California Environmental Quality Act review is not required because it can be seen with certainty that there is no possibility that the activity may have a significant adverse effect on the environment.

The Commission's ESJ Action Plan recognizes the disproportionate impacts of environmental hazards in communities of color and identifies ways the CPUC can use its regulatory authority to address funding and resources for these communities to mitigate the outcomes of past inequities and barriers. This application proposes to provide transportation services in communities with ESJ characteristics and does not have any impact on the achievement of any of the nine goals of the Commission's ESJ Action Plan.

² Pub. Util. Code § 1032(b)(1) states in part, "Before a certificate is issued or transferred, the commission shall require the applicant to establish reasonable fitness and financial responsibility to initiate and conduct, or continue to conduct, the proposed or existing transportation services."

In Resolution ALJ 176-3560, dated March 13, 2025, the Commission preliminarily categorized this application as ratesetting. No protest has been received. Given this status, a public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ 176-3560.

Notice of filing of the application appeared in the Commission's Daily Calendar on February 24, 2025. Applicant served a copy of the application on the Consumer Protection and Enforcement Division (CPED).

5. Waiver of Comment Period

This is an uncontested matter in which the decision grants the relief requested. Accordingly, as provided in Rule 14.6(c)(2), the otherwise applicable 30-day public review and comment period for this decision is waived.

6. Assignment of Proceeding

Terra Curtis is the assigned Examiner in this proceeding.

Finding of Fact

1. The application requests authority to operate as a scheduled fixed-route PSC to transport passengers and baggage along three routes with stops in the counties of Frenso, Kern, Los Angeles, Madera, Merced, Orange, Riverside, Sacramento, San Bernadino, San Diego, San Joaquin, Stanislaus, and Tulare, including a proposed stop at Cross Border Xpress in San Diego.

2. Applicant will be required to comply with the licensing and insurance requirements in Pub. Util. Code §§ 1031 et seq. and Commission General Orders (GO) 101-E and 158-A upon being granted a CPCN and prior to operating as a PSC.

3. Applicant proposes charging fares that range between \$10 and \$94.

4. Applicant requests authority to establish a ZORF of \$30 above and below the proposed fares.

5. D.15-05-029 authorizes the Executive Director to grant a ZORF of 15%, so the ZORF will be restricted to 15% of the proposed fares.

6. Applicant has a fleet of eight 38-passenger buses.

7. Applicant had \$29,617,694 in total assets and \$8,887,519 in liabilities in 2023.

8. Applicant will be operating in a highly competitive market.

9. Public convenience and necessity requires the proposed service.

10.No protest of the application has been filed.

11.A public hearing is not necessary.

12.A California Environmental Quality Act review is not required for this decision because it can be seen with certainty that there is no possibility that the proposed operations may have a significant adverse effect on the environment.

13. The proposed operations align with the Commission's ESJ Action Plan.

Conclusions of Law

1. Public convenience and necessity have been demonstrated, and the application should be granted.

2. The Executive Director is authorized to issue, deny or transfer PSC certifications via the process adopted by D.15-05-029.

3. A ZORF of 15 percent should be granted because the ZORF is fair and reasonable.

4. Because the matter is uncontested, the decision should be effective on the date it is signed.

5. A public hearing is not necessary.

6. A California Environmental Quality Act review is not required for this decision because it can be seen with certainty that there is no possibility that the activity in question may have a significant adverse effect on the environment.

7. A.25-01-011 should be closed.

ORDER

IT IS ORDERED that:

- 1. A certificate of public convenience and necessity is granted to AUTOBUSES EJECUTIVOS L.L.C., a Texas limited liability company, doing business as OMNIBUS EXPRESS, authorizing it to operate as a scheduled fixed-route Passenger Stage Corporation (PSC), as defined in Public Utilities Code § 226, to transport passengers and their baggage between the points and over the routes set forth in Appendix A, subject to the conditions contained in the following paragraphs.
- 2. AUTOBUSES EJECUTIVOS L.L.C. 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 within 120 days after this decision is effective.
 - c. File tariffs on or after the effective date of this decision. The tariff 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 safety rules.
 - e. Comply with the California Public Utilities Commission's controlled substance and alcohol testing certification program pursuant to Public Utilities Code § 1032.1 and General Order Series 158.
 - f. Remit to the California Public Utilities Commission the Transportation Reimbursement Fee required by Public Utilities Code § 423 when notified

by email to do so. Failure to comply with this filing will result in suspension and/or revocation of authority.

- g. Comply with Public Utilities 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.
- AUTOBUSES EJECUTIVOS L.L.C. is authorized under Public Utilities Code § 454.2 to establish a zone of rate freedom (ZORF) of 15% above and below proposed fares.
- 4. AUTOBUSES EJECUTIVOS L.L.C. shall file a ZORF with the California Public Utilities Commission and the public in accordance with the application at least 10 days before the effective date of the tariff. The ZORF shall expire unless exercised within 120 days after the effective date of this decision.
- 5. AUTOBUSES EJECUTIVOS L.L.C. may make changes within the ZORF by filing amended tariffs on not less than 10 days' notice to the California Public Utilities 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, AUTOBUSES EJECUTIVOS L.L.C. shall post notices explaining fare changes in its terminals and passenger-carrying vehicles. Such notices shall be posted at least 10 ten days before the effective date of the fare changes and shall remain posted for at least 30 days.
- 7. AUTOBUSES EJECUTIVOS L.L.C. is authorized to begin operations on the date that the Consumer Protection and Enforcement Division mails a notice to applicant that its evidence of insurance and other documents required by Ordering Paragraph 2 have been filed with the California Public Utilities

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Commission and that the California Highway Patrol has approved the use of applicant's vehicles for service.

- Before beginning service to any airport, AUTOBUSES EJECUTIVOS L.L.C. shall notify each airport's governing body. AUTOBUSES EJECUTIVOS L.L.C. shall not operate into or on airport property unless such operations are authorized by the airport's governing body.
- Stop points established by AUTOBUSES EJECUTIVOS L.L.C. to load and discharge passengers shall conform to all applicable parking or passenger loading zone regulation adopted by local authorities.
- 10. The Certificate of Public Convenience and Necessity to operate as Passenger Stage Corporation 45459 granted herein, expires unless exercised within 120 days after the effective date of this decision.
- 11. The Application is granted as set forth above.
- 12.A.25-01-011 is closed.

This order is effective today.

Dated July 14, 2025, at San Francisco, California.

<u>/S/ RACHEL PETERSON</u> Rachel Peterson Executive Director

Appendix A

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AUTOBUSES EJECUTIVOS L.L.C. Original Title Page dba OMNIBUS EXPRESS a Texas Limited Liability Company

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AS A PASSENGER STAGE CORPORATION PSC-45459

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.

Issued by California Public Utilities Commission. Decision 25-07-007, Application 25-01-011 Appendix A

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SECTION I.GENERAL AUTHORIZATIONS, RESTRICTIONS,LIMITATIONS, AND SPECIFICATIONS2

SECTION II. ROUTE DESCRIPTIONS

Issued by California Public Utilities Commission. Decision 25-07-007, Application 25-01-011

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

AUTOBUSES EJECUTIVOS L.L.C., a Texas limited liability company, doing business as OMNIBUS EXPRESS, 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 on the routes described in Section II, 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. No passengers shall be transported except those having a point of origin or destination as described in Section IIA.
- 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.
- d. Stop points established by AUTOBUSES EJECUTIVOS L.L.C. to load and discharge passengers shall conform to all applicable parking or passenger loading zone regulations adopted by local authorities.

Issued by California Public Utilities Commission. Decision 25-07-007, Application 25-01-011

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SECTION II. ROUTE DESCRIPTIONS.

- A. Over most convenient roads between points in San Diego County, Orange County, Los Angeles County
- B. Over most convenient roads between points in San Diego County, Orange County, Los Angeles County, Kern County, Tulare County, Frenso County, Madera County, Merced County, Stanislaus County, San Joaquin County, Sacramento County
- C. Over most convenient roads between points in San Diego County, Riverside County, San Bernadino County, Los Angeles County