

Decision 06-09-019 September 7, 2006

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of Discount Shuttle, a Limited Liability Corporation, L.L.C., PSC-17162, to extend authority as a Scheduled Passenger Stage Corporation, between points into/from LAX (Los Angeles International Airport), to the city of West Covina, ONT (Ontario International Airport), to the city of San Bernardino in San Bernardino County, and PSP (Palm Springs Airport) in Riverside County. In addition, to extend authority as a Scheduled Passenger Stage Corporation, between points into/from LAX (Los Angeles International Airport) to Disneyland Area, the city of Anaheim, SNA (John Wayne Airport) and the city of Laguna Niguel, in Orange County, California and to establish a Zone of Rate Freedom.

Application 06-04-024
(Filed April 27, 2006)

O P I N I O N

Summary

This decision grants the application of Discount Shuttle L.L.C. (Applicant), a limited liability company, pursuant to Pub. Util. Code § 1031 et seq., to expand its certificate of public convenience and necessity to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226.

Discussion

Applicant is authorized by Decision (D.) 04-03-018 to operate as an on-call PSC to transport passengers and their baggage between points in six counties and seven airports in Southern California. This includes airport-to-airport

service. The application requests authority to modify the PSC certificate to add the transportation of passengers and their baggage on a scheduled basis to and from Los Angeles International Airport (LAX) over two routes. One route travels south from LAX to Anaheim, John Wayne Airport (SNA), and Laguna Niguel. The other route heads east, with stops at West Covina, Ontario International Airport (ONT), San Bernardino, and Palm Springs Airport (PSP).

Applicant states that it needs to expand its PSC service in order to stay competitive and to be able to provide better and more efficient service to the public. It indicates that some passengers find taxicab service too expensive, particularly when traveling more than 15 miles, or they become tired and frustrated with the time-consuming stops of door-to-door shuttle services. Applicant is confident that tourists and business travelers will be attracted to a direct scheduled service at reasonable fares. The environment will also benefit from reduced traffic and smog, which Applicant explains are major problems in its service territory.

Applicant states that it has the experience and resources to operate the proposed expanded PSC service. It currently operates six vehicles. It will acquire additional seven-passenger vans to conduct the scheduled service. Attached to the application as Exhibit D is Applicant's unaudited balance sheet dated April 1, 2006, which discloses assets of \$252,000 and no liabilities.

The proposed one-way fares range between \$16 (LAX - Anaheim) and \$145 (LAX - PSP). Applicant already holds a zone of rate freedom (ZORF) of \$10 above and below any fare of \$20 and under and \$15 above and below any fare of

\$21 and above.¹ The existing ZORF will apply to the new scheduled service fares.

Notice of filing of the application appeared in the Commission's Daily Calendar on May 2, 2006. Applicant served a copy of the application to the affected public transit operators and sent notice of the application to the involved airports, cities, and counties in the service area.

In Resolution ALJ 176-3172 dated May 11, 2006, 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 176-3172.

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 is currently authorized pursuant to D.04-03-018 to operate as a PSC to transport passengers and their baggage on an on-call basis between points in six Southern California counties and seven airports.

¹ The ZORF was originally granted by D.03-02-056 to Mohammad Yoonos, an individual, under PSC-14336. D.04-03-018 authorized Yoonos to transfer the PSC certificate to Applicant. As part of that transfer, Applicant adopted the ZORF tariff that Yoonos had filed with the Commission under PSC-14336.

2. Applicant holds a ZORF that was originally granted to Mohammad Yoonos by D.03-02-056 and subsequently transferred to Applicant under authority of D.04-03-018.

3. The application requests authority to operate as a scheduled PSC to transport passengers and their baggage between LAX, on the one hand, and Anaheim, SNA, Laguna Niguel, West Covina, ONT, San Bernardino, and PSP, on the other hand.

4. Public convenience and necessity requires the proposed service.

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

3. Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

O R D E R

IT IS ORDERED that:

1. The certificate of public convenience and necessity (CPCN) granted to Discount Shuttle L.L.C. (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-17162 of Decision 04-03-018, is revised by replacing Original Pages 1, 2 and 3 with First Revised Pages 1, 2 and 3, and adding Original Pages 4 and 5, 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 order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. File tariffs for the expanded service on or after the effective date of this order. Applicant may file a zone of rate freedom (ZORF) tariff for this service under the ZORF authority granted to Mohammad Yoonos by D.03-02-056 and transferred to Applicant pursuant to D.04-03-018. Tariffs shall become effective ten days or more after the effective date of this order, 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 Section 1808.1 of the Vehicle Code.

3. Applicant is authorized to begin operating the expanded service 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.

4. 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.

5. The revised CPCN to operate as PSC-17162, granted herein, expires unless exercised within 120 days after the effective date of this order.

6. The Application is granted as set forth above.

7. This proceeding is closed.

This order is effective today.

Dated September 7, 2006, at San Francisco, California.

MICHAEL R. PEEVEY
President
GEOFFREY F. BROWN
DIAN M. GRUENEICH
JOHN A. BOHN
RACHELLE B. CHONG
Commissioners

I N D E X

	Page
SECTION I. *GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS.....	2, 3
SECTION II. *SERVICE AREA.....	3, 4
SECTION III. *ROUTE DESCRIPTIONS.....	4, 5

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

This certificate supersedes all passenger stage operative authority granted to Mohammad Yoonos, an individual.

Discount Shuttle L.L.C., 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" and 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. 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.

*SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS,
LIMITATIONS, AND SPECIFICATIONS (CONTINUED).

- c. No passengers shall be transported in on-call service except those having a point of origin or destination at an airport described in Section IIB.
- d. No passengers shall be transported in scheduled service except those having a point of origin or destination at Los Angeles International Airport.
- e. Scheduled service shall be operated only at the points described in Section IIC and IID. A description of all stop points and the arrival and departure times from such points shall be indicated in the timetable filed with the Commission. Scheduled service may not be combined with on-call service.
- 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.

SECTION II. SERVICE AREA.

On-Call Service

- A. Los Angeles County
Orange County
San Bernardino County
Riverside County
Ventura County
San Diego County

SECTION II. SERVICE AREA (CONTINUED).

- B. Los Angeles International Airport (LAX)
Ontario International Airport (ONT)
John Wayne Airport (SNA)
Burbank Airport (BUR)
Long Beach Airport (LGB)
San Diego International Airport (SAN)
Palm Springs Airport (PSP)

***Scheduled Service**

- C. Anaheim (Disneyland Area)
John Wayne Airport (SNA)
Laguna Niguel
West Covina
Ontario International Airport
San Bernardino
Palm Springs Airport (PSP)
- D. Los Angeles International Airport (LAX)

SECTION III. ROUTE DESCRIPTIONS.

On-Call Service

**Route 1 - Airports - Los Angeles/Orange/San Bernardino/Riverside/Ventura
Counties**

Commencing from any point in the Counties of Los Angeles, Orange, San Bernardino, Riverside, and Ventura, then over the most convenient streets and highways to LAX, ONT, SNA, BUR, and LGB, as described in Section IIB.

Route 2 - Airports - San Diego County

Commencing from any point in San Diego County, then over the most convenient streets and highways to LAX, ONT, and SNA, as described in Section IIB.

Route 3 - Airport-to-Airport Service

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

***Scheduled Service**

Route 4 - LAX - PSP

Commencing from Los Angeles International Airport, then over the most convenient streets and highways to West Covina, Ontario International Airport, San Bernardino, and Palm Springs Airport.

Route 5 - LAX - Laguna Niguel

Commencing from Los Angeles International Airport, then over the most convenient streets and highways to Anaheim, John Wayne Airport, and Laguna Niguel.