

Decision 08-11-017 November 6, 2008

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Terrestrial Trolley, LLC, dba Mickeys Space Ship Shuttle, for authority to establish a Zone of Rate Freedom (ZORF) under Section 454.2, et. seq., of the Public Utilities Code.

Application 08-08-012
(Filed August 21, 2008)

D E C I S I O N

Summary

This decision grants the application of Terrestrial Trolley, LLC (Applicant), a limited liability company, to establish a zone of rate freedom (ZORF), pursuant to Pub. Util. Code § 454.2.

Discussion

Applicant is authorized to operate as a passenger stage corporation (PSC) to transport passengers and their baggage between points in Orange County and parts of Los Angeles County, on the one hand, and Los Angeles International (LAX) and John Wayne (SNA) Airports, on the other hand. The certificate was granted in 1989 by Decision (D.) 89-11-003 and revised in 2000 by D.00-06-073.¹

The application requests authority to establish a ZORF of \$8 above and below Applicant's existing fares of \$20 or less, \$10 above and below fares of \$21

¹ The PSC authority was originally granted to a partnership of Michael S. Mitchell and Bruce Hector. In 2003 the partnership elected to covert to a limited liability company under provisions of Corporations Code § 16901 et seq. The Commission approved the conversion to Terrestrial Trolley, LLC by Resolution TL-19032, dated August 21, 2003.

to \$40, and \$20 above and below fares over \$40. The current one-way adult fares range between \$14 (Anaheim hotels – SNA) and \$59 (San Clemente – LAX).

Applicant states it is experiencing higher operating expenses, including a dramatic increase in fuel costs. It indicates that without the relief the ZORF will afford it will be at risk of going out of business. According to Applicant, the ZORF will allow it to adjust its fares in response to market forces so that it may offer customers fares which are both reasonable and competitive. Applicant notes that it operates in competition with a variety of transportation services. It believes granting the ZORF is in the public interest.

Applicant competes with other PSCs, taxicabs, charter limousines, vans, and buses, 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 August 26, 2008. In Resolution ALJ 176-3220 dated September 14, 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. Applicant is authorized to operate as a PSC to transport passengers and their baggage between points in Orange County and parts of Los Angeles County, on the one hand, and LAX and SNA, on the other hand.

2. Applicant requests authority to establish a ZORF of \$8 above and below its existing fares of \$20 and less, \$10 above and below fares of \$21 to \$40, and \$20 above and below fares over \$40.

3. Applicant competes with other PSCs, taxicabs, charter limousines, vans, and buses, and private automobiles in its operations. The ZORF is fair and reasonable.

4. No protest to the application has been filed.

5. A public hearing is not necessary.

6. 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. The application for a ZORF should be granted.

2. 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.

3. 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. Terrestrial Trolley, LLC (Applicant), a limited liability company, is authorized under Pub. Util. Code § 454.2 to establish a zone of rate freedom

(ZORF) of \$8 above and below its existing fares of \$20 and less, \$10 above and below fares of \$21 to \$40, and \$20 above and below fares over \$40.

2. 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.

3. 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.

4. 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.

5. The Application is granted as set forth above.

6. This proceeding is closed.

This decision is effective today.

Dated November 6, 2008, at San Francisco, California.

MICHAEL R. PEEVEY
President
DIAN M. GRUENEICH
JOHN A. BOHN
RACHELLE B. CHONG
TIMOTHY ALAN SIMON
Commissioners