

ORIGINAL

Decision No. 78249

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of SKYVIEW LIMOUSINE SERVICE, INC.,
a California Corporation, for a
certificate of public convenience
and necessity to operate a limousine
service between the Los Angeles
Territory and points in and around
Palm Springs, California.

Application No. 51515

(Filed November 26, 1969;
amended December 19, 1969)

James H. Lyons, Attorney at Law,
for Skyview Limousine Service,
Inc., applicant.

W. L. McCracken, Attorney at Law,
for Greyhound Lines, Inc.
(Greyhound Lines-West Division),
protestant.

J. M. McFadden, for City of Desert
Hot Springs, interested party.

Burton B. Fiore, for Caravan Yellow
Cab Co., protestant.

John M. Johnson, for the Commission's
staff.

OPINION ON REHEARING

By Decision No. 77373, dated June 16, 1970, applicant was authorized to establish and operate a luxury-type limousine service for the transportation of persons and their baggage between points within a defined area in and about the City of Los Angeles, on the one hand, and points in a defined area (designated as Palm Springs Territory) in the Coachella Valley, on the other hand. A distinctive feature of the service is that it consists of direct door-to-door transportation -- passengers are picked up at their homes, hotels, motels, or other points in

the Los Angeles area and delivered without intermediate transfer to their homes, hotels, motels or other points in the Palm Springs Territory. Decision No. 77373 restricted the service to that performed by limousine-type, air-conditioned vehicles, each transporting not more than 7 passengers exclusive of driver, and to the operation of not more than four round trips per day. The decision further restricted the service to only that which is provided on a roundtrip basis, and prescribed a fare of \$20 per round trip.

On July 1, 1970 applicant petitioned the Commission for reconsideration of the roundtrip requirement. It asked that it be permitted to provide one-way service also, and to assess fares of \$10 per one-way ride as it had proposed in its original application. Assertedly, the restriction to roundtrip service at \$20 per roundtrip is not supported by the evidence, and such a requirement will make applicant's operations impracticable from a service standpoint and financially unfeasible.

Exception to the roundtrip requirement was also taken by the City of Desert Hot Springs. In addition the City of Desert Hot Springs requested the elimination of a restriction of Decision No. 77373 excluding the Los Angeles International Airport from applicant's authorized service area in and about Los Angeles.

By Decision No. 77550, dated July 28, 1970, the Commission ordered rehearing of Decision No. 77373 for the limited purpose of reconsidering the issue of one-way limousine service. A rehearing pursuant to said order was held before Examiner C. S. Abernathy at Palm Springs on October 5, 1970, and the matter was resubmitted for decision. Evidence in applicant's behalf was

presented by applicant's president, by managers of three motels in the Palm Springs Territory and by a city councilman for the City of Desert Hot Springs. The elimination of the roundtrip requirement was opposed by Greyhound Lines, Inc., and by the owner of the Caravan Yellow Cab Co., which operates a taxi service in the Cathedral City and Palm Springs area and also, on occasion, provides transportation to Los Angeles and return.

Applicant's president testified that following his receipt of the Commission's authorization to provide limousine service between the Los Angeles and Palm Springs territories, he had undertaken to advertise said service as a step toward the establishment thereof. He said that various prospective patrons who had responded to his advertising had reacted negatively when he explained that his service was limited to roundtrips only, and that he was not authorized to make refunds in the event passengers did not use the service both ways. These responses, he asserted, were consistent with prior experience he has had in operating a limousine service in New York State, whereby he had found that people do not always find it practical or convenient to buy roundtrip transportation -- that many times they travel one way by private vehicle of friends or relatives and utilize public transportation for the other portions of their trips. He said that removal of the present roundtrip requirement and authorization of a fare of \$10 per one-way trip would enable him to serve those people who desire one-way service; moreover, he would be able to assess a reasonable fare for the transportation performed in the event people who buy roundtrip tickets

subsequently find they are not able to use his service for both the going and return trips.

One of the motel managers who testified was from the Desert Hot Springs area and the other two were from the Palm Springs area. The motel manager from Desert Hot Springs said that many of the guests of his motel are senior citizens who do not have their own transportation; that they are transported to and/or from Desert Hot Springs by friends or relatives; that a number of such guests gear their arrivals and departure times to coincide with weekend arrivals and departures of their friends and relatives; that as a consequence they cut short their own stays at Desert Hot Springs, whereas they would prolong their stays were adequate one-way public transportation available. The manager said that Greyhound Lines, Inc., provides one-way transportation to and from Palm Springs. However, Desert Hot Springs is relatively isolated from Palm Springs. Taxis provide the only public transportation between Desert Hot Springs and Palm Springs. The applicable taxi fare is \$7. The manager asserted that there is a need for direct one-way passenger service between Desert Hot Springs and the Los Angeles Territory, and that the need is as great, or greater, than the need for roundtrip service.

The two managers of motels in Palm Springs similarly testified that many of their patrons arrive with friends and relatives and would prolong their stays at Palm Springs if one-way limousine service to the Los Angeles area were available to them. The managers indicated that the quality of the transportation

service, i.e., limousine as contrasted to bus, is an important consideration to their patrons, and that notwithstanding the present availability of one-way bus service between Palm Springs and Los Angeles by Greyhound Lines, Inc., a number of their patrons will not use such service. They also asserted that the need for one-way limousine service is as great or greater than that for roundtrip service, and without such service they are losing business which they would otherwise enjoy.

The owner of the Caravan Yellow Cab Co. opposed the authorization of the one-way limousine service which applicant seeks. He asserted that such service would divert business from his own operations, and that, moreover, applicant cannot operate profitably for a one-way fare of \$10. Based on his own experience, he said that a charge of \$50 per round trip is necessary to sustain the operations.

Greyhound Lines, Inc., also a protestant, asked that the evidence which it had presented at the initial hearing in this matter on February 10, 1970, be further considered. Such evidence is summarized in Decision No. 77373. The substance thereof is that applicant's limousine service will skim off the cream of Greyhound's traffic to and from Palm Springs; that Greyhound offers an abundance of passenger service between the Palm Springs and Los Angeles territories, and that any diversion of traffic away from Greyhound would lessen that company's ability to operate profitably and to maintain certain services which it is required to operate at a loss.

It is clear from the prior decision in this matter, Decision No. 77373, that the door-to-door luxury-type limousine service which applicant is authorized to operate between the Los Angeles and Palm Springs territories is different from services which are being provided by other passenger stage corporations operating between said territories. It is also clear that other passenger stage corporations do not desire to provide such service.^{1/} The record which was developed on this rehearing of Decision No. 77373 does not indicate that there has been any change in the situation.

Applicant's undertaking obviously is directed towards serving a class of traffic which is not being adequately served by other passenger stage corporations. In so serving, it appears that applicant will mainly reach and attract traffic which is not now using public transportation facilities. Undoubtedly, some traffic will also be drawn from other common carriers. However, we believe that the effect thereon, particularly upon Greyhound

^{1/} Findings, Decision No. 77373:

- "2. There are no door-to-door services available to the segment of the public which desires to use the proposed service, and the existing passenger stage corporations serving in the territory will not provide door-to-door services for the public."
- "3. The protestants Greyhound and the Smith Cab Service do not provide door-to-door, round trip luxury limousine passenger service between Palm Springs and vicinity and Los Angeles and vicinity such as applicant proposes and they do not desire to provide such service."

Lines, Inc., will be minimal. In the circumstances the opposition of Greyhound Lines, Inc., to elimination of the present restriction against applicant's engaging in one-way service should be largely discounted. The opposition of Caravan Yellow Cab Co. should also be discounted.^{2/}

On the record now before us we are persuaded that the public need which we have heretofore found for a luxury-type limousine service for the transportation of persons and their baggage between points within the Los Angeles and Palm Springs territories (as defined in Decision No. 77373) is not confined to roundtrip service. We find that public convenience and necessity require the operation of one-way service also. The fare which should apply is \$10 per person per one-way trip.

We conclude that to this extent Decision No. 77373 should be amended, and that in all other respects the provisions of Decision No. 77373 should continue in effect.

In order that applicant may meet the public need for one-way service as soon as possible, the order herein will be made effective ten days after the date thereof.

^{2/} Caravan Yellow Cab Co. may not lawfully engage in regular operations as a common carrier of passengers between the Los Angeles and Palm Springs territories without first having obtained from the Commission a certificate declaring that public convenience and necessity require such operations. (See Section 1031, Public Utilities Code.)

O R D E R

IT IS ORDERED that:

1. Decision No. 77373, dated June 16, 1970, is amended as follows:

Ordering paragraph 4 is amended to read:

"The fares which Skyview Limousine Service, Inc. is authorized to publish in tariffs filed pursuant to this order is \$10 one way, \$20 round trip, per person, between the Los Angeles and Palm Springs territories, as defined in Appendix A attached hereto and made a part hereof."

2. Appendix A to said Decision No. 77373 is amended by incorporating therein First Revised Page 2 (cancels Original Page 2), which page is attached hereto and is made a part hereof by this reference.


3. In providing service pursuant to the authority herein granted, applicant shall comply with and observe the following service regulations. Failure so to do may result in a cancellation of the operating authority granted by this decision.

- a. Within one hundred twenty days after the effective date hereof, applicant shall establish the service herein authorized and file tariffs and timetables, in triplicate, in the Commission's office.
- b. The tariff and timetable filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff and timetable filings shall be concurrent with the establishment of the service herein authorized.
- c. The tariff and timetable filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 79 and 98-A.


Except as is otherwise provided herein, Decision No.77373 shall remain in full force and effect.

The effective date of this order shall be ten days after the date hereof.

Dated at San Francisco, California, this 2nd day of FEBRUARY, 1971.



Chairman



Vernon L. Stinger

Commissioners

Commissioner William Swons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS,
LIMITATIONS, AND SPECIFICATIONS.

Skyview Limousine Service, Inc., a corporation, by certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport passengers and baggage as follows:

1. BETWEEN any point in the Los Angeles Territory (excluding Los Angeles International Airport), on the one hand, and any point in the Palm Springs Territory, on the other hand, over and along the most direct or appropriate route or routes. Such territories are hereinafter described in Section 2.
 - * (a) Service shall be limited to the transportation of passengers who originate at or are destined to points within either the Palm Springs Territory or Los Angeles Territory.
 - (b) No passenger shall be transported whose origin and destination are both within the limits of either the Los Angeles or Palm Springs Territories, or whose origin or destination is outside such territories.
 - (c) Service shall be operated with limousine-type air-conditioned vehicles, and no more than 7 passengers shall be transported in each vehicle, exclusive of driver.

Issued by California Public Utilities Commission.

* Changed by Decision No. 78249, Application No. 51515.