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Decision No. 83106

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of FLOYD J. GRUBBS, dba BLUE LINE
CHARTER CO-OP, TCP 375, for a
Certificate of Public Convenience
and Necessity to operate as a
passenger stage, operating between
points in Alameda, Santa Clara,
San Mateo, San Francisco, and
Santa Cruz Counties, and the
airports therein.

Application No. 54343
(Filed September 24, 1973;
amended November 1, 1973)

Floyd J. Grubbs, for himself, applicant.
Robert W. Tollen, Attorney at Law, for
Airporttransit of California, protestant.
M. E. Gottlieb, for the Commission staff.

O P I N I O N

By his application, as amended, Floyd J. Grubbs, doing business as Blue Line Charter Co-op, requests a certificate of public convenience and necessity authorizing operations as a passenger stage corporation for the transportation of passengers and their baggage between points in the counties of Alameda, Santa Clara, San Mateo, and San Francisco, on the one hand, and San Francisco International Airport, Oakland International Airport, San Jose Municipal Airport, and Palo Alto Airport, on the other hand.

The application was protested by Airporttransit of California (Airporttransit). A public hearing was held before Examiner Daly on February 8, 1973 at San Francisco and was submitted upon receipt of transcript and a brief by Airporttransit, which was filed on May 13, 1974.

The record indicates that applicant possesses a charter-party permit duly issued by the Commission and is the owner of a Cadillac limousine; that for at least the past 15 months, applicant acting in association with five other individuals, each of whom owns a Cadillac limousine and none of whom possesses any operating authority from this Commission, has been engaged in the transportation of passengers, on an individual fare basis, between points in the proposed area, on the one hand, and local airports, on the other hand; and that because of alleged requests by many business firms and travel agencies, applicant proposes to perpetuate the present operations as a certificated carrier.

The proposed service would be "on-call", 24 hours a day and 7 days a week. The proposed individual fares would range from \$8 to \$24.

According to applicant each member operates and maintains his own limousine and each contributes approximately \$200 a month for liability insurance and for the purpose of defraying the expenses of an office in Campbell and the cost of an answering service.

A traffic consultant appearing on behalf of a travel agency located in Los Gatos testified that she had been using applicant's service and had heard nothing but favorable responses from her clients.

The president of Golden Sedan Service, a certificated limousine service within the proposed area, appeared in response to a subpoena served by Airporttransit. He testified as to the nature of the service presently being provided by his company.

Airporttransit, which operates a scheduled certificated bus service between San Francisco International Airport and San Jose Municipal Airport, on the one hand, and specified points within the proposed area, on the other hand, contends that the proposed service, if authorized, would divert passengers and thereby have an adverse financial effect upon its own operations as well as upon the operations of the other existing certificated carriers.

After consideration the Commission finds that:

1. Applicant, as the holder of a charter-party carrier permit and in association with five individual owner-operators of limousines, has been engaged in the transportation of passengers and their baggage, on an individual fare basis, between points in the San Francisco Bay Area, on the one hand, and local airports, on the other hand.
2. Although applicant refers to his association with the other five individuals as a co-op, the record fails to demonstrate the legal nature of the relationship. If the association is not legally incorporated, then the relationship tends to resemble a partnership, in which case all partners should be parties to the application.
3. During the course of hearing applicant was requested to file a late-filed exhibit specifically setting forth the proposed area. The exhibit was never filed.
4. Except for the testimony of applicant and one supporting witness, there is no other evidence to demonstrate a public need for the service.

The Commission, therefore, concludes that because all necessary individuals were not made parties to the application, because the proposed service area was not specifically described, and because the record fails to demonstrate a public need for the service, the application should be denied.

Applicant is placed on notice that transporting passengers on an individual fare basis exceeds the scope of his present authority and continuation of such operations will result in an investigation leading to revocation of his permit.

Following submission, Airporttransit, on April 1, 1974, filed a petition to set aside submission for the purpose of introducing the testimony of the senior vice president of Yellow Cab Company. The petition will be denied.

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O R D E R

IT IS ORDERED that Application No. 54343 and the petition of Airporttransit of California are hereby denied.

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

Dated at San Francisco, California, this 9th
day of JULY, 1974.

Verward L. Sturgeon
President
William J. Simon
William J. Simon
William J. Simon
William J. Simon
Commissioners