ORIGINAL

Decision <u>84 02 071</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of: YELLOW BUS COMPANY,)
INC. for a certificate of public
convenience and necessity to
operate as a passenger stage corporation, to provide regular route
service, between Lindbergh Field
(San Diego Airport), and Los
Angeles International Airport, via
Interstate Hwy 5, serving named
intermediate points. Under
authority of Section 1031 et seq.,
of the Public Utilities Commission of the State of California.

Application 83-09-43 (Filed September 16, 1983)

# OPINION

Applicant Yellow Bus Company, Inc., a California corporation, seeks authority under Public Utilities (PU) Code Section 1031, et seq., to operate as a passenger stage corporation providing daily regular route passenger service between Lindbergh Field (San Diego Airport) and Los Angeles International Airport (LAX), via Interstate Highways 5 and 405 and California Highway 91 as principal routes, serving intermediate points at-La Jolla, Oceanside, San Clemente, Laguna Hills, Irvine, and Long Beach, with return over the same route. Applicant proposes to transport passengers, baggage, express, newspapers, and mail in the same vehicle.

Notice of filing of the application appeared in the Commission's Daily Transportation Calendar on September 16, 1983. No protests to the application have been filed.

Applicant holds authority from the Interstate Commerce Commission under Docket No. MC-165533 for charter and special operations from certain counties in California to points in the United States (except Alaska and Hawaii).

The route proposed by applicant is contained in Exhibit B to the application. The proposed fares will range from \$6 per person to \$16 per person, depending on the point of origin and the destination. Applicant proposes one northbound morning departure leaving San Diego at 6:30 a.m. and arriving at LAX at 10:05 a.m., and one southbound afternoon departure leaving IAX at 12:00 noon and arriving in San Diego at 4:15 p.m. In addition to the one scheduled daily round trip, applicant will also offer a demand service with a minimum of 20 passengers in a party. Should demand increase, applicant will increase service to meet such demand.

The officers and directors of applicant have a combined experience of over 10 years in the passenger transportation industry. Applicant alleges that it has the facilities and personnel to perform the proposed service through its principal offices and maintenance facilities in San Clemente. Applicant employs full and part-time mechanics to service the required equipment and applicant further alleges that it will operate terminals or install commission agents in the intermediate points it will serve between San Diego and LAX. Applicant owns a fleet of 29 buses from which it will provide the equipment to operate the proposed service.

Applicant alleges that the public convenience and necessity require the granting of this application for the following reasons:

- There are no existing carriers offering the same service as requested by applicant.
- 2. This proposed service is of a unique and distinct nature in that it serves the traveling public destined to the airports in Los Angeles and San Diego, thus offering an alternative to expensive short-hop air travel between these two major communities and their outlying suburbs.
- 3. Applicant has discussed the proposed service with a number of civic leaders, travel agents, and members of the transportation community and has had a favorable response. Interviewed persons have stated to applicant that it would be highly desirable to have a locally operated carrier to service the needs of their communities.
- 4. The Southern California Association of Governments (SCAG) estimates that the population of southern California will double within the next 17 years and that most of the growth will be in the outlying areas that would be served if this application is granted.

Financial information contained in the application shows total assets of \$439,122.03 and total liabilities of \$250,288.35. Pro forma estimated first-year income shows net pretax profit of \$21,180 for the proposed operation.

### Findings of Pact

- Applicant has the ability, experience, and financial resources to perform the proposed service.
- 2. 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. A public hearing is not necessary.
- 2. Public convenience and necessity require that the requested authority should be issued.

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.

### ORDER

#### IT IS ORDERED that:

- 1. A certificate of public convenience and necessity is granted to Yellow Bus Company, Inc., a corporation, authorizing it to operate as a passenger stage corporation, as defined in PU Code Section 226, between the points and over the routes set forth in Appendix PSC-1327, to transport persons, baggage, and express.
  - 2. Applicant shall:
    - a. Pile 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. State in its tariffs and timetables when service will start; allow at least 10 days' notice to the Commission; and make timetables and tariffs effective 10 or more days after this order is effective.
    - d. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol safety rules.

- e. Maintain accounting records in conformity with the Uniform System of Accounts.
- 3. This certificate does not authorize the holder to conduct any operations on the property of or into any airport unless such operation is authorized by both this Commission and the airport authority involved.
- 4. Applicant is authorized to begin operations on the date that the Executive Director mails a notice to applicant that it has evidence of insurance on file with the Commission and that the California Highway Patrol has approved the use of applicant's vehicles for service.

This order becomes effective 30 days from today.

Dated FEB 16 1984 \_\_\_\_, at San Francisco, California.

LEONARD M. GRIMES, JR.

President
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

Commissioner Victor Calvo. being necessarily absent. did not participate

I CERTIFY THAT THES DECISION WAS APPROVED ABOVE COMMISSIONERS ENDAY.

Coseph E. Bodovitz, Executive Dire

Appendix PSC-1327

Yellow Bus Company, Inc.

Original Title Page

#### CERTIFICATE

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FUBLIC CONVENIENCE AND NECESSITY AS A FASSENGER STAGE CORPORATION

PSC - 1327

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 under authority of Decision 84 02 071, dated FFR 161984, of the Public Utilities Commission of the State of California, in Application 83-09-43.

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

Yellow Bus Company, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized as a passenger stage corporation to transport passengers and their baggage over the route described in this Appendix subject, however, to the authority of this Commission to change or modify this authority at any time and subject to the following provisions:

- a. Passengers may be picked up or dropped off only at the stops listed in Section 2.
- b. Service shall be rendered via the most direct route from the point of origin to the point of destination and return with regard, however, for changing traffic conditions.

Issued by California Public Utilities Commission.

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SECTION 2. ROUTE DESCRIPTION.

Lindbergh Field (SAN) - Los Angeles International Airport (LAX)

From Lindbergh Field (SAN), in San Diego; then via La Jolla; Oceanside; San Clemente; Laguma Hills; John Wayne Airport (SNA), in Irvine; Long Beach Airport (LGB), to LAX. Return over the same route.

STOPS

SAN
La Jolla
Oceanside
San Clemente
Laguna Hills
SNA
LGB
LAX

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