Decision

88 03 053

MAR 23 1988

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTH BAY AIRPORT SHUTTLE for Passenger Stage Certificate, door-to-door services between Santa Clara County, San Jose, and the San Francisco International Airport.

Application 87-08-046 (Filed August 26, 1987)

## OPINION

Behzad Fatemi (Fatemi), an individual doing business as South Bay Airport Shuttle, seeks authority under Public Utilities (PU) Code § 1031 to operate as an on-call passenger stage corporation, as defined in PU Code § 226, between points in Santa Clara County and San Jose International Airport (SJC) and San Francisco International Airport (SFO).

Being initially doubtful of the viability of this proposal, Transportation Division staff (staff) met with applicant, requested and received further information, and prepared a report which recommended that the application be granted. The report noted that need for the service was supported by applicant's market survey of 100 telephone calls to potential users resulting in 97 affirmative responses. San Jose airport welcomed the idea and acknowledged the need, according to staff.

Staff's advice of participation, filed October 13, 1987, in part states as follows:

"Applicant proposes to serve between Santa Clara County and SFO and SJC airports. Applicant has supplied the requested information and has satisfied the staff on the viability of this service. Initially the service would start with two vans and would grow to about 12 vans within one year. Applicant has previous

business experience and owns a profitable travel agency, which will provide the financial backing to the proposed shuttle service. Applicant appears to have sufficient financial resources and has demonstrated the need for this service. The application should be granted."

A protest to the application was filed by Bayporter Express on September 29, 1987, stating that it has recently been issued Passenger Stage Certificate PSC-1442, which authorizes directly competitive services to the authority sought by applicant. The crux of the protest is that Bayporter Express is a new service to the public and should be given a reasonable opportunity for survival.

In order to avoid costs of hearing, applicant and protestant reached agreement that the protest would be withdrawn on condition that applicant amend his application to defer his requested operating authority to April 1, 1988.

The letter agreement dated November 12, 1987, to which staff does not object, states, in part, as follows:

"Specifically, applicant South Bay requests that it be authorized to commence operations under the passenger stage authority sought by its application on April 1, 1988, but no earlier. In this regard, South Bay requests that an ex parte decision granting its application issue and be effective immediately, but that said decision provide that South Bay's tariff and timetable may not be made effective before April 1, 1988. Under these circumstances, South Bay will not commence passenger stage operations prior to that time."

We find applicant's request to defer its operating authority to April 1, 1988 to be reasonable.

As there are no other protests in this matter, a public hearing is not required.

# Pindings of Fact

- 1. Public convenience and necessity require that the proposed service be established.
- 2. Applicant has the ability and financial resources to perform the proposed service.
- 3. One protest to the application has been received and withdrawn on condition that service commence not earlier than April 1, 1988.
- 4. It can be seen with certainty that there is no possbility that the activity in question may have a significant effect on the environment.

#### Conclusions of Law

- 1. The application should be granted as set forth in the following order.
- 2. Since there are no protests, the order should become effective on the date that it is signed.

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 Behzad Fatemi authorizing him to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in Appendix PSC-1452, to transport persons and baggage.
  - 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 180 days after this order is effective.
- c. State in his tariffs and timetables that service will start on April 1, 1988; allow at least 6 working days' notice to the Commission; and make timetables and tariffs effective 6 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.
- f. Remit to the Commission the Transportation Reimbursement Fee required by PU Code § 403 when notified by mail to do so.
- 3. Prior to initiating service to any airport, applicant shall notify the airport authority involved. This certificate does not authorize the holder to conduct any operations on the property of or into any airport authority involved.
- 4. Applicant is authorized to begin operations on April 1, 1988 provided that, prior to that time, the Executive Director mails a notice to applicant that he 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.

5.	The application is granted as set forth above.
	This order is effective today.
	Dated MAR 2 3 1988 , at San Francisco, California.

STANLEY W. HULETT
President

DONALD VIAL

FREDERICK R. DUDA
G. MITCHELL WILK

JOHN B. OHANIAN

Commissioners

I CERTIFY THAT THIS DECISION WAS APPROVED BY THE ABOVE COMMISSIONERS TODAY.

Victor Wolsson, Executive Director

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Appendix PSC-1452

Behzad Fatemi

Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-1452

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 88 03 053 dated MAR 23 198 of the Public Utilities Commission of the State of California in Application 87-08-046.

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

Behzad Fatemi, by 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 on an on-call basis between cities in Santa Clara County, on one hand, and the San Francisco International Airport (SFO) and the San Jose International Airport (SJC), on the other hand, subject, however, to the authority of this Commission to change or modify this authority at any time and subject to the following provisions:

- (a) Motor vehicles may be turned at termini and intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections, in accordance with local traffic regulations.
- (b) When route descriptions are given in one direction, they apply to operation in either direction unless otherwise indicated.
- (c) No passengers shall be transported except those having point of origin or destination at the San Francisco International Airport or the San Jose International Airport.
- (d) This certificate does not authorize the holder to conduct any operations on the property of or into any airport unless such operations are authorized by both this Commission and the airport authority involved.
- (e) 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 authorized on-call service shall be rendered.

Issued by California Public Utilities Commission.

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SECTION 2. ROUTE DESCRIPTIONS.

- Route 1. Santa Clara County San Francisco International Airport

  Commencing within the Santa Clara County, then via the most appropriate streets and highways to SFO.
- Route 2. Santa Clara County San Jose International Airport

  Commencing within the Santa Clara County, then via the most appropriate streets and highways to SJC.

Issued by California Public Utilities Commission.

Decision 88 03 C53 , Application 87-08-046.

- b. Establish the authorized service and file tariffs and timetables within 180 days after this order is effective.
- c. State in his tariffs and timetables that service will start on April 1, 1988; allow at least 10 working 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.
- f. Remit to the Commission the Transportation Reimbursement Fee required by PU Code § 403 when notified by mail to do so.
- 3. Prior to initiating service to any airport, applicant shall notify the airport authority involved. This certificate does not authorize the holder to conduct any operations on the property of or into any airport authority involved.
- 4. Applicant is authorized to begin operations on April 1, 1988 provided that, prior to that time, the Executive Director mails a notice to applicant that he 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.