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Item TD-2 Agenda 8/10/88

Decision 88 08 026 AUG 10 1988

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

This is the matter of Santa Barbara Airbus, PSC 1262 to expand its current operating authority to include door to door pickup and delivery.

Application 87-11-014 (Filed November 13, 1987; amended April 4, 1988)

<u>OPINION</u>

Santa Barbara Airbus, Inc. (Airbus) is a passenger stage corporation operating out of Goleta. It holds a certificate of public convenience and necessity authorizing it to provide scheduled and on-call service on eleven routes between points in Santa Barbara County, on the one hand, and Los Angeles International Airport (LAX) and Santa Barbara Municipal Airport (SBA), on the other hand.

By the original application, Airbus seeks to expand the authority by adding door-to-door service to the existing airport service. Home pickup and drop-off service with connections to regularly scheduled stops on its existing Routes 1 and 2 will be offered. Airbus will use eleven-passenger vans from its fleet of vans and buses.

Airbus states that it has received a number of requests from its customers and from travel agents for such door-to-door service. Passengers must currently use private automobiles or expensive taxi service, and these alternatives are not always practical or feasible. Airbus notes that there are no existing operators providing the service and that the request is therefore not controversial. A balance sheet showing that as of September 30, 1987 Airbus had assets of \$642,891.83 and liabilities of \$421,857.06 was included with the application.

By the amendment to the application, Airbus seeks to simplify the existing certificate through route consolidation, and

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to replace specific stop locations listed in the certificate with general city and community designations. Proposed Route 3 encompasses the door-to-door on-call service described above, providing connections between scheduled stops on Routes 1 and 2, on the one hand, and any point within 17 zones in Santa Barbara County, on the other hand. These zones are widely scattered throughout Santa Barbara County and include all or parts of Buellton, Carpenteria, Goleta, Lompoc, Montecito, Santa Barbara, Santa Maria, Solvang, Summerland, and other areas adjacent to these cities and communities. Route 3 would consolidate eight existing route descriptions.

Airbus states that the proposed elimination of specific stop locations from the certificate will allow it to make minor operational changes in the future through tariff and timetable filings. With stop locations designated in the certificate, it must file a formal application and await Commission approval each time it wants to make such changes.

Airbus also proposes in the amended application to expand its operation by providing on-call scheduled and door-to-door service in portions of San Luis Obispo County, including San Luis Obispo Airport (SLO). Using both eleven-passenger vans and minibuses, service will be provided seven days a week, 24 hours a day. Twelve hours advanced reservations will be required. Proposed Route 4 is an on-call scheduled service between SLO and LAX with stops at San Luis Obispo, Pismo Beach, Arroyo Grande and SBA. Proposed Route 5 is a door-to-door service between any point within the City of San Luis Obispo, on the one hand, and SLO or scheduled San Luis Obispo stops, on the other hand. Airbus states that travel agents, existing passengers and others have indicated a need for this expanded service.

The Transportation Division (staff) initially advised that the application was incomplete. Following a number of meetings and exchanges of correspondence with the staff to clarify

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the application and to address staff's concerns, Airbus filed the amendment to the application. Staff advised that the amended application is complete, and recommended that it be granted on an ex parte basis in the absence of protest.

A proposed certificate of public convenience and necessity was subsequently prepared by staff. It reflects Airbus' request, except that with respect to Route 3, staff recommends that on-call door-to-door service be authorized to all points within Santa Barbara County in lieu of the 17 zones listed in the amended application. Staff also recommends reissuance of the certificate with all new pages to avoid the confusion that would result by adding pages to the existing certificate. The proposed certificate is received in the record as Exhibit 1.

Airbus provided notification of the application to the city and county government entities involved. Notice of filing of the original application appeared on the Daily Transportation Calendar (DTC) of November 17, 1987, and notice of the amendment appeared on the DTC dated April 7, 1988. A supplemental notice informing parties of Airbus' request to extend service into San Luis Obispo County appeared on the DTC of April 25, 1988. No protests have been received.

The certificate amendments proposed by Airbus, with the change in Route 3 proposed by staff, are in the public interest. The proposed door-to-door on-call service in both Santa Barbara and San Luis Obispo Counties should promote utilization of Airbus' existing services. As pointed out in the application, the service should reduce traffic and air pollution by attracting passengers who would otherwise use private vehicles. The staff proposal to eliminate seventeen zone designations in Route 3 in favor of the county designation will give Airbus more flexibility in establishing its operations. It will eliminate cumbersome route and zone descriptions from the certificate. Airbus should note that its acceptance of the certificate as provided in the order includes acceptance of the larger territory as part of the certificate.

Pindings of Fact

1. Airbus proposes to conduct a door-to-door on-call service in Santa Barbara County to supplement existing passenger stage service.

2. Airbus proposes to expand its operations to San Luis Obispo County by offering on-call scheduled service to SLO, San Luis Obispo, Pismo Beach, Arroyo Grande, SBA, and LAX and by offering supplementary door-to-door service to the City of San Luis Obispo.

3. No protest to the application or to the amendment thereto has been received.

4. Public convenience and necessity require that the proposed service be established.

5. 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. Public convenience and necessity have been demonstrated and the application should be granted as set forth in the order.

2. The order should be effective on the date signed because public convenience requires prompt commencement of the proposed service.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of

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rights and may cancel or modify the monopoly feature of these rights at any time.

<u>ORDER</u>

IT IS ORDERED that:

1. A reissued certificate of public convenience and necessity is granted to Santa Barbara Airbus, Inc. (Airbus), a corporation, authorizing it 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-1262, to transport persons, baggage, and express.

- 2. Airbus 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 120 days after this order is effective.
 - c. State in its tariffs and timetables when service will start; allow at least ten days' notice to the Commission; and make timetables and tariffs effective ten 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. The certificate of public convenience and necessity granted in paragraph 1 shall supersede that granted and amended by

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Decisions 82-10-067, 84-12-046, 84-12-047, 86-02-026, and 87-10-027. That certificate is revoked on the effective date of the tariff and timetable filings required by paragraph 2.b.

4. Prior to initiating service to any airport, Airbus 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 unless such operation is authorized by both this Commission and the airport authority involved.

5. The application is granted as set forth above. This order is effective today.

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Dated AUG 10 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 Weisser, Executive Director

Appendix PSC-1262 SANTA BARBARA AIRBUS, INC. Original Title Page

CERTIFICATE ...

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-1262

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.

This certificate supersedes all operative authority previously granted to Santa Barbara Airbus, Inc. or its predecessors by D.87-10-027, D.86-02-026, D.84-12-047, D.84-12-046, D.82-10-067.

88 08 026 Issued under authority of Decision _ , dated AUG 1 0 1988 of the Public Utilities Commission of the

State of California in Application 87-11-014.

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SECTION	2.	ROUTE DESCRIPTIONS

Issued by California Public Utilities Commission. Decision ______ 88 08 026 , Application 87-11-014.

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

This certificate supersedes all operative authority previously granted to Santa Barbara Airbus, Inc. or its predecessors.

Santa Barbara Airbus, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers, their baggage, and express between points in Santa Barbara County and San Luis Obispo County, on the one hand, and Los Angeles International Airport (LAX), Santa Barbara Municipal Airport (SBA) and San Luis Obispo Airport (SLO), on the other hand, over and along the routes described, subject, however, to the authority of this Commission to change or modify the routes at any time and subject to the following provisions:

- Motor vehicles may be turned at termini and intermediate points, in either direction, at (a) intersections of streets or by operating around a block contiguous to such intersections, in accordance with local traffic regulations.
- When route descriptions are given in one direction, (b) they apply to operations in either direction unless otherwise indicated.
- Only passengers originating at or destined to LAX, SBA (c) or SLO shall be transported.
- This certificate does not authorize the holder to (d) 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.
- The term "on-call" as used refers to service which is (e) authorized to be rendered dependent on the demands of passengers. The tariffs and timetables shall show the conditions under which the authorized on-call service will be rendered, and shall include the description of the boundary of each fare zone, except when a single fare is charged to all points within a single incorporated city.

Issued by California Public Utilities Commission. Decision 88 08 026 , Application 87-11-014.

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SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS (continued).

- (f) The tariffs and timetables shall specify the location of each scheduled stop.
- (g) The transportation of express shall be on passengercarrying vehicles and shall be incidental to the transportation of passengers and limited to a weight of not more than 100 pounds per shipment.
- (h) The authorized routes may be combined to make through trips for operational purposes, provided passenger service is not delayed and trip length is not unduly increased.

Issued by California Public Utilities Commission. Decision <u>88 08 026</u>, Application 87-11-014.

SANTA BARBARA AIRBUS, INC. Appendix PSC-1262

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ROUTE DESCRIPTIONS . SECTION 2.

Route 1. SCHEDULED SERVICE - SANTA BARBARA COUNTY

Commencing at Los Angeles International Airport, then via the most convenient streets and highways to the scheduled stops in the following cities/communities or airport:

1.	Carpinteria	4. Goleta	
			÷.,

- 2. Montecito 3. Santa Barbara
- 5. SBA
- 6. Isla Vista (on-call service)
- ROUTE 2. ON-CALL SCHEDULED SERVICE SANTA BARBARA COUNTY

Commencing at Santa Barbara Municipal Airport, then via the most convenient streets and highways to the scheduled stops in the following cities/communities:

- 1. Buellton
- 2. Solvang
- 3. Santa Maria
- 4. Vandenberg Air Force Base 5. Lompoc 6. LAX
- Route 3. DOOR-TO-DOOR, ON-CALL SERVICE SANTA BARBARA COUNTY

Commencing at any point within Santa Barbara County, then via the most convenient streets and highways to the scheduled stops on Route 1 or Route 2.

Route 4. ON-CALL SCHEDULED SERVICE - SAN LUIS OBISPO COUNTY

Commencing at San Luis Obispo Airport, then via the most convenient streets and highways to the scheduled stops in the following cities or airports:

- 1. San Luis Obispo 4. SBA
- 2. Pismo Beach 5. LAX
- 3. Arroyo Grande

Route 5. DOOR-TO-DOOR. ON-CALL SERVICE - SAN LUIS OBISPO COUNTY

Commencing at any point within the City of San Luis Obispo, then via the most convenient streets and highways to San Luis Obispo Airport or the scheduled stops in the City of San Luis Obispo.

Issued by California Public Utilities Commission.

88 08 026 , Application 87-11-014. Decision