

OCT 17 1988

Decision 88 10 026 OCT 14 1988

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 Bahram Shahab and Mehrdad Haji)
 Moradi, dba LA XPress, for authority)
 to operate as a passenger stage)
 between certain portions of Los)
 Angeles, Orange, Riverside, San)
 Bernardino, and Ventura Counties)
 on the one hand, and Los Angeles)
 International (LAX) Airport and)
 Burbank (BUR) Airport, Long Beach)
 Airport, John Wayne Airport,)
 Ontario Airport, Amtrak Station,)
 and Los Angeles and Long Beach)
 Harbors on the other hand.)

Application 88-05-049
(Filed May 26, 1988)

OPINION

Applicants Bahram Shahab and Mehrdad Haji Moradi, doing business as LA XPress (XPress), request authority under Public Utilities (PU) Code Section 1031, et seq. to establish and operate a passenger stage service for the transportation of passengers and baggage between certain points in Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties on the one hand, and Los Angeles International (LAX), Burbank (BUR) Airport, Long Beach Airport, Ontario Airport, John Wayne Airport, Amtrak Station, and Los Angeles and Long Beach Harbors on the other hand.

Notice of filing of the application appeared in the Commission's Daily Calendar on May 31, 1988. In addition, notice of the filing of the application was served by XPress on all governmental agencies and regional transportation planning agencies within whose boundaries passengers will be loaded and unloaded. A protest to the application was filed by the City of Los Angeles, Department of Transportation.

XPress proposes to operate an "on-call" service within the following described areas:

1. In Los Angeles County, all points south of the Santa Susana and San Gabriel mountains.
2. All of Ventura County south of the Los Padres National Forest.
3. All of Orange County.
4. In Riverside County the cities and communities of Corona, Lake Elsinore, Mira Loma, Norco and Riverside.
5. The southwestern portion of San Bernardino County.

XPress proposes to perform its on-call door-to-door service on a 24-hour, 7-day-per-week basis. XPress intends to utilize 30 new fully automatic, air conditioned, 7-passenger vans equipped with two-way radios. The fare structure between the point of origin and point of destination throughout the service area varies according to the zip code or airport where the passenger boards and the deboarding point.

The service area boundaries within which XPress will operate are as follows:

Los Angeles County

Within all points south of the Santa Susana and San Gabriel Mountains.

Orange County

All points within the geographical limits of Orange County.

Southern Ventura County

All points south of the Los Padres National Forrest, including the following cities/communities and postal zip code areas:

<u>City/Community</u>	<u>Zip Code</u>
Camarillo	93010
Fillmore	93015
Moorpark	93021
Oakview	93022
Ojai	93023
Oxnard	93030-93035
Piru	93040
Point Mugu	93042
Port Hueneme	93041-93043
Santa Paula	93060
Simi Valley	93062-93065
Somis	93066
Thousand Oaks	91360-91362
Ventura	93001-93004

Southwestern San Bernardino County

All points within the following cities/communities and postal zip code areas:

<u>City/Community</u>	<u>Zip Code</u>
Alta Loma	91701
Bloomington	92316
Bryn Mawr	92318
Chino	91709-91710
Colton	92324
Etiwanda	91739
Fontana	92335-92336
Grand Terrace	92324
Guasti	91743
Highland	92346
Loma Linda	92354
Montclair	91763
Ontario	91761, 91762, 91764
Rancho Cucamonga	91730
Rialto	92373-92374
San Bernardino	92401-92418
Upland	91786

Riverside County

All points within the following cities/
communities and postal zip code areas:

<u>City/Community</u>	<u>Zip Code</u>
Corona	91719,91720
Lake Elsinore	92330
Mira Loma	91752
Norco	91760
Riverside	92501-90521

Financial information contained in the application shows total assets of \$303,000 and total liabilities of \$17,000. The projected annual income and expense statement contained in the application, based on 30 operating vans, contemplates a net income of \$939,080 before taxes.

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

1. More than 22 million passengers passed through Los Angeles International Airport during the first half of 1988 which is an increase of 12% over a comparable period in 1987.
2. According to figures obtained from the Los Angeles Department of Airports (ALDA) domestic travel was up 11.2% and international travel increased by 18.7% over the previous period.
3. The addition of several new airlines flying into Long Beach Airport and the prospect of expansions in Ontario and John Wayne Airports further shows a public need for this type of transportation. XPress believes that all these additional travelers should have a dependable and good quality transportation service available with reasonable fares.

Both applicants contend they have extensive experience in operating and managing their own taxi operations in Los Angeles for a number of years.

The thrust of the protest of the City of Los Angeles Department of Transportation, (LADOT) is that the residents and visitors of the City of Los Angeles are harmed by the excessive number of companies providing on-call, door-to-door service to and from LAX because the finite number of passengers is spread among numerous vans. The reduced load factors will result eventually in higher fares, the excess vehicles cause congestion at LAX, and the numerous companies create confusion for the public as well as enforcement difficulties.

LADOT indicates that at a hearing it would present evidence that the additional small vehicles at LAX would add to traffic congestion and would add to enforcement problems at LAX, and that there is no need for additional public transportation services to or from LAX. LADOT would hope to show that applicants are neither financially, nor technically qualified to operate a passenger stage service to serve the proposed areas. For these reasons LADOT requests the application be denied or that the matter be set for hearing.

Discussion

At the outset, we take note of the fact that there have been no protests filed by potential competitors of XPress. We also note that LADOT consistently protests every passenger stage application for authority to serve LAX. This Commission has time and again granted passenger stage applications despite LADOT's protests which have regularly been pursued at hearing. In Decision (D.) 87-10-084, dated October 28, 1987, the Commission, in discussing LADOT's protest, identical to the protest herein, stated:

"We are aware that City (LADOT) routinely protests every application for a certificate of public convenience and necessity filed by any transportation company who wishes to transport passengers to LAX. It is further noted that the congestion and number of transportation vehicles operating on the property of LAX is

not the responsibility of City's Department of Transportation. That responsibility lies solely with the Department of Airports, City of Los Angeles, which grants permits to taxicabs, buses, private for-hire vehicles, shuttle services, etc. That Department has not filed any protest to this application. It appears that City, which does supervise taxicab operations, is primarily concerned with the competition that the proposed service may offer to City's franchised taxicab companies at LAX which could possibly have an impact on the revenues derived by City."

Rule 8.2 of the Commission's Rules of Practice and Procedure states that the filing of a protest does not ensure that a public hearing will be held. Since the Department of Airports has not protested this application, nor has any competing passenger stage carrier, a costly and time consuming public hearing in this matter would serve no useful purpose. Accordingly, it is determined that a public hearing need not be held in this matter, that the application should be granted and that the protest of LADOT should be denied.

Findings of Fact

1. Applicants have the ability, equipment, and financial resources to perform the proposed service.
2. A protest to the application was filed by Los Angeles City Department of Transportation.
3. Los Angeles City Department of Transportation routinely protests every application for passenger stage authority to operate at LAX.
4. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

5. The rates proposed in the application are reasonable.

6. In accordance with Rule 8.2 of the Commission's Rules of Practice and Procedure, a public hearing is not necessary.

Conclusion of Law

Public convenience and necessity have been demonstrated and a certificate should be granted to applicants.

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 Bahram Shahab and Mehرداد Haji Moradi, authorizing them 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-5038, to transport persons, baggage, and/or express.

2. Applicants 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 their 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.

- f. Remit to the Commission the Transportation Reimbursement Fee required by PU Code Section 403 when notified by mail to do so.

3. Prior to initiating service to any airport, applicants shall notify the airport authority involved. This certificate does not authorize the holders 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. Applicants are authorized to begin operations on the date that the Executive Director mails a notice to applicants that they have evidence of insurance on file with the Commission and that the California Highway Patrol has approved the use of applicants' vehicles for service.

5. The application is granted as set forth above.

6. The protest of the City of Los Angeles Department of Transportation is denied.


This order becomes effective 30 days from today.

Dated OCT 14 1988, 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.


Stanley W. Hulett, Executive Director
JB

T/jd

Appendix PSC-5038

Bahram Shahab and
Mehrdad Haji Moradi

Original Title Page

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION
PSC-5038

Showing passenger stage operative rights, restrictions, limitations,
exceptions, and privileges applicable thereto.

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 10 026, dated OCT 14 1988,
of the Public Utilities Commission of the State of California in
Application 88-05-049.

T/jd

Appendix PSC-5038

Bahram Shahab and
Mehrdad Haji Moradi

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Issued by the Public Utilities Commission.

Decision 88 10 026, Application 88-05-049.

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

Bahram Shahab and Mehrdad Haji Moradi, by the certificate of public convenience and necessity granted by the decision noted in the margin, are authorized to transport passengers and their baggage on a door-to-door on call basis between points in Los Angeles County, Orange County, Ventura County, Riverside and San Bernardino Counties, described in Section 2, and Los Angeles International (LAX), Burbank/Glendale/Pasadena (BUR), Ontario International (ONT), Long Beach (LGB), John Wayne (SNA) Airports, Los Angeles and Long Beach Harbors and Amtrak Station, over and along the route described, subject, however, to the authority of this Commission to change or modify the route 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) The term "on-call" as used refers to service which is authorized to be rendered dependent on the demands of passengers. The tariffs and timetables shall show the conditions under which each 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.
- (d) No passengers shall be transported except those having points of origin or destination at LAX, BUR, ONT, LGB, SNA, Los Angeles or Long Beach Harbor or Amtrak Station.

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Appendix PSC-5038

Bahram Shahab and
Mehrdad Haji Moradi

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

- (e) 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.

Issued by the Public Utilities Commission.

Decision 88 10 026, Application 88-05-049.

T/jd /rsr *

Appendix PSC-5038

Bahram Shahab and
Mehrdad Haji Moradi

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SECTION 2. SERVICE AREA DESCRIPTION.

Los Angeles County

All points south of the Santa Susana and San Gabriel Mountains.

Orange County

All points within the geographical limits of Orange County.

Southern Ventura County

All points south of the Los Padres National Forest including:

<u>CITY/COMMUNITY</u>	<u>ZIP CODE</u>
Camarillo	93010
Fillmore	93015
Moorpark	93021
Oakview	93022
Ojai	93023
Oxnard	93030-93035
Piru	93040
Point Mugu	93042
Port Hueneme	93041-93043
Santa Paula	93060
Simi Valley	93062-93065
Somis	93066
Thousand Oaks	91360-91362
Ventura	93001-93004

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Bahram Shahab and
Mehrdad Haji Moradi

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SECTION 2. SERVICE AREA DESCRIPTION. (Continued)

Southwestern San Bernardino County

All points within the following cities/communities and
postal zip code areas:

<u>CITY/COMMUNITY</u>	<u>ZIP CODE</u>
Alta Loma	91701
Bloomington	92316
Bryn Mawr	92318
Chino	91709-91710
Colton	92324
Etiwanda	91739
Fontana	92335-92336
Grand Terrace	92324
Guasti	91743
Highland	92346
Loma Linda	92354
Montclair	91763
Ontario	91761, 91762, 91764
Rancho Cucamonga	91730
Redlands	92373-92374
Rialto	92376
San Bernardino	92401-92418
Upland	91786

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Mehrdad Haji Moradi

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SECTION 2. SERVICE AREA DESCRIPTION. (Continued)

Riverside County

All points within the following cities/communities and postal zip code areas:

<u>CITY/COMMUNITY</u>	<u>ZIP CODE</u>
Corona	91719, 91720
Lake Elsinore	92330
Mira Loma	91752
Norco	91760
Riverside	92501-90521

SECTION 3. ROUTE DESCRIPTION.

Commencing at any point within the authorized service area described in Section 2, then via the most convenient streets and highways to LAX, BUR, ONT, LGB, SNA, Amtrak station, Los Angeles or Long Beach Harbor.

Issued by the Public Utilities Commission.

Decision 88 10 026, Application 88-05-049.

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Appendix PSC-5038

Bahram Shahab and
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All points south of the Los Padres National Forest including:

CITY/COMMUNITY

ZIP CODE

Camarillo	93010
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