

OCT 14 1988

Decision 88 10 027

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Travis Express, Inc. to establish a)
Zone of Rate Freedom of plus or)
minus \$2.00 from its current tariff)
rates, pursuant to the provisions of)
Section 454.2 of the Public)
Utilities Code.)

ORIGINAL

Application 88-07-056
(Filed July 27, 1988)

OPINION

Applicant Travis Express, Inc. requests authority to establish a zone of rate freedom (ZORF) within its passenger stage operating territory. Notice of the filing of the application appeared in the Commission's Daily Calendar of August 5, 1988. No protests to the application have been received.

Applicant is presently authorized to provide passenger stage service over three specified routes, with designated on-call and off-route service points. Generally, the three routes are as follows:

Route 1 - Between Dixon, Vacaville, Travis Air Force Base (the BASE), Fairfield, and Vallejo and specified additional points, on the one hand, and OAK, Treasure Island, and SFO, on the other.

Route 2 - Between Sacramento, SMF, Davis, Dixon, Vacaville, Fairfield, and the BASE.

Route 3 - Between Fairfield, Cordelia, Vallejo, and Benicia.

For the ten months period ended June 30, 1988, applicant had gross revenue of \$592,654 and a net profit of \$22,625. As of January 31, 1987, applicant had a net worth of approximately \$34,000.

Applicant's current published rates are as follows:

Between:

The Oakland International Airport, The
Oakland Army Base, The Treasure Island
Naval Base, The Greyhound Bus Depot in San
Francisco, The San Francisco International
Airport, and

Benicia	\$14
Cordelia	\$14
Dixon	\$22
Fairfield Holiday Inn	\$14
The BASE	\$14
Vacaville	\$14
Vallejo	\$12

Between:

The Sacramento Metropolitan Airport and
Sacramento, and

Benicia	\$22
Cordelia	\$14
Davis	\$9
Dixon	\$11
Fairfield Holiday Inn	\$14
The BASE	\$14
Vacaville	\$14
Vallejo	\$20

Applicant's requested ZORF is between \$2 below and \$2
above its present fares.

Applicant states that it is competing within its service
territory with taxicabs, rental car companies, commuter bus
services, airport bus services, Greyhound, and private automobiles
and that the competition offered by these alternative modes will
result in reasonable rates charged by applicant. To the extent
that applicant's fares under the ZORF become too high, the
competitive forces in the market place will act to correct the
rates. Applicant contends that the granting of the requested ZORF
will provide applicant with the flexibility to adjust its rates to
meet its revenue needs within the foreseeable future.

Findings of Fact

1. Applicant is a passenger stage corporation serving over three specified routes, with designated on-call and off-route service points to and from the San Francisco, San Jose, and Oakland International Airports, the Sacramento Municipal Airport, Treasure Island, and the BASE.

2. In the conduct of its operations, it experiences competition from taxicabs, rental car companies, commuter bus services, airport bus services, and Greyhound.

3. Applicant requests authority to establish a ZORF of between \$2 above and \$2 below its present fares.

4. Granting the ZORF will provide applicant with the needed flexibility to adjust its rates to meet its revenue needs within the foreseeable future.

5. The competitive transportation services will result in reasonable fares when considered along with the proposed ZORF.

6. The granting to applicant of an exemption to the long- and short-haul provisions of Public Utilities (PU) Code § 460 is appropriate in this case.

7. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted.

2. Before applicant charges any ZORF fares, it should first file such fares with the Commission on ten days' notice.

3. The filing of ZORF fares would be accompanied by a tariff amendment which shows for each ZORF point the high and low ends of the ZORF as well as its then current effective rate.

O R D E R

IT IS ORDERED that:

1. A zone of rate freedom (ZORF) between and including \$2 above and \$2 below its current passenger stage operating authority fares is established for applicant.

2. Applicant may charge fares within its ZORF only by first amending its tariff on no less than 10 days' notice to include such rates, showing the high and low ends of its ZORF as well as its then currently effective rate.

3. In addition to posting and filing tariffs, applicant shall post a printed explanation of its fares in its vans and terminals. The notice shall be posted at least 5 days before the effective date of the fare changes and shall remain posted for at least 30 days.

4. Applicant is relieved from the provisions of the long- and short-haul requirements of PU Code § 460 only where the charging of any rate within its published zone of ZORF could otherwise be forbidden by PU Code § 460.

5. This authority shall expire unless accepted within 30 days after the effective date of this order.

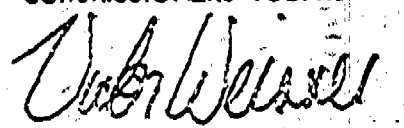
This order becomes effective 30 days from today.

Dated OCT 14 1988, at San Francisco, California.

STANLEY W. HULETT
President

DONALD VIAL
FREDERICK R. DUDA
C. MITCHELL WILK
JOHN B. OHANIAN
Commissioners

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


Victor Weissert, Executive Director