

Decision 88 12 013 DEC 9 1988

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Coast Shuttle, Inc.,)
(PSC-1335) to establish a zone of)
rate freedom and individual hotel)
fare for passenger stage service)
between points in its authorized)
service area and Los Angeles)
International Airport.)

DEC 13 1988

Application 88-09-035
Filed September 16, 1988

OPINION

Applicant Coast Shuttle, Inc. requests authority to establish a zone of rate freedom (ZORF) and individual hotel fares covering operations between points in applicant's authorized service area, which includes Beverly Hills (partial), Century City, Culver City, Fox Hills, Inglewood (partial), Ladera Heights, Mar Vista, Marina Del Rey, Palms, Playa Del Rey, Rancho Park, Santa Monica, Venice, West Los Angeles, Westchester, and the Los Angeles International Airport (LAX). Notice of the filing of the application appeared in the Commission Daily Calendar of September 21, 1988. No protests to the application have been received.

In its operation applicant operates sixteen 7-passenger vans, two of which are leased and fourteen of which are owned by applicant. The application shows that for the first three months of 1988 applicant had gross revenue of \$203,505 and a net profit of \$5,045. As of March 31, 1988 applicant had a net worth of approximately \$78,250.

Applicant states that it competes for passengers with taxi cabs, limousines, private passenger cars, and passenger stage carriers such as SuperShuttle of Los Angeles, Celebrity Airport Livery, Flightline, Inc. Some of the passenger stage carriers have already been granted a ZORF. Applicant states that its present

rates are equal to or lower than those of other passenger stage competitors in its service area.

Applicant's requested ZORF is between \$2 above and \$2 below its present "first passenger" fares, and \$1 above and \$1 below its "additional passenger" fares. Applicant's present "first passenger" fares, based on zones, ranges between \$6 from Playa Del Rey, Westchester, and Inglewood to LAX, to \$18 from Beverly Hills to LAX. Its "additional passenger" fares run from \$3 each to \$4 each, depending on the amount of the "first passenger" fare.

The application also requests authority to publish individual hotel fares, which in most instances will be less than the otherwise applicable zone fares and run from \$6 to \$10. Applicant does not request that its proposed ZORF extend to these hotel fares.

Findings of Fact

1. Applicant requests authority to establish a ZORF of \$2 above and \$2 below its present "first passenger" fares and \$1 above and \$1 below its present "additional passenger" fares.
2. In the conduct of its operation it competes for passengers with taxi cabs, limousines, private passenger cars, and passengers stage carriers such as SuperShuttle of Los Angeles, Celebrity Airport Livery, Flightlines, Inc.
3. Granting the ZORF will provide applicant with the needed flexibility to adjust its rates to meet its revenue needs within the foreseeable future.
4. The competitive transportation services will result in reasonable fares when considered along with the proposed ZORF.
5. Applicant also requests that it be authorized to publish individual hotel fares which are different from its applicable zone fares.
6. The proposed hotel fares are reasonable.

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

8. 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 should 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.

ORDER

IT IS ORDERED that:

1. Coast Shuttle, Inc. is authorized to establish fares within a Zone of Rate Freedom (ZORF) between a maximum of \$2 above and \$2 below its current authorized "first passenger" fares and between a maximum of \$1 above and \$1 below its current authorized "additional passenger" fares.

2.a. Applicant shall file a tariff based on the ZORF on no less than 10 days' notice to the Commission and the public subject to Commission approval. The authority for ZORF shall expire unless exercised within 60 days after the effective date of this order.

b. Any fare changes within its ZORF may be made by Applicant by filing and amending its tariff on no less than 10 days' notice to the Commission and the public. The tariff shall include for each fare point, the authorized maximum fares, the authorized minimum fares, and the fare to be actually charged.

c. Applicant is relieved from the provisions of the long-and short-haul requirements of PU Code Section 460 in establishing the authorized ZORF fares.

3. In addition to posting and filing tariffs provided in Ordering Paragraph 2, 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 authorized to establish fares between the Los Angeles International Airport, on the one hand, and hotels in its certificated territory, on the other hand, as set forth in Exhibit C-A of Application 88-09-035. Tariff publications regarding these fares shall be made effective not earlier than the 5th day after the effective date of this order and such publications must give 5 days notice to the Commission and to the public.

5. This authority shall expire unless exercised within 60 days after the effective date of this order.

6. The application is granted.

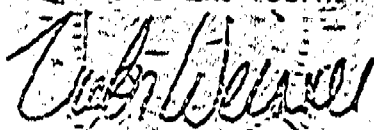
This order becomes effective 30 days from today.

Dated DEC 9 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

JB