

Decision 88 12 072 DEC 19 1988

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Clive Andrew De Paule,)
dba Good Neighbors Airport Shuttle)
(PSC 1370), to establish a "Zone of)
Rate Freedom" for passenger stage)
service between its authorized)
service area of the City and County)
of San Francisco and the San)
Francisco International Airport.)

DEC 19 1988

Application 88-10-001
(Filed October 3, 1988)

OPINION

Applicant Clive Andrew De Paule, doing business as Good Neighbors Airport Shuttle, requests authority to establish a zone of rate freedom (ZORF) pursuant to Public Utilities (PU) Code Section 454.2 of between \$7 and \$10 per adult passenger in his passenger stage operation between San Francisco and the San Francisco International Airport (SFO). Notice of the filing of the application appeared in the Commission Daily Calendar of October 5, 1988. No protests to the application have been received.

In his operation applicant competes for passengers with other substantially similar ground transportation services. For the six months ending June 30, 1988, he had revenues from bus operations of approximately \$199,000 and a net profit of approximately \$21,000. However, he expects his 1988 net profit to be approximately \$15,000, or an operating ratio of 2.2% because of increased expenses.

Applicant's present fare structure is as follows:

Adults	\$7.50
Special*	\$6.00
Child	\$4.00
Adult Fast-Pass**	\$30.00
Senior Fast-Pass	\$25.00

* Special includes seniors, military, airline, and airport employees.

** A Fast-Pass is a ticket good for five one-way trips.

Applicant states that he wishes to operate within the proposed ZORF so that he will be able to respond quickly to both changes in the market and the cost of doing business.

Findings of Fact

1. Applicant is a passenger stage corporation serving between San Francisco and SFO.
2. In the conduct of his operations, he experiences competition from forms of ground transportation substantially similar to his own.
3. Applicant requests authority to establish a ZORF between and including \$7 and \$10 per adult passenger.
4. Granting applicant his requested ZORF will enable applicant to respond quickly to both changes in the market and the cost of doing business.
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 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, he 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. Clive Andrew De Paule (applicant) is authorized to establish fares within a Zone of Rate Freedom (ZORF) between a minimum fare of \$7 and a maximum fare of \$10 per adult passenger.

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

3. Any fare changes within his ZORF may be made by applicant by filing and amending his 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 fare, the authorized minimum fare, and the fare to be actually charged.

4. In addition to posting and filing tariffs, applicant shall post a printed explanation of his fares in his 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.

5. Applicant is relieved from the provisions of the long- and short-haul requirements of PU Code § 460 only where the

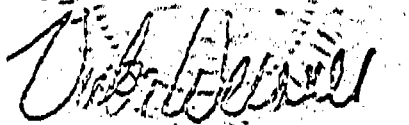
charging of any rate within his published zone of ZORF could otherwise be forbidden by PU Code § 460.

This order is effective today.

Dated DEC 19 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 Weissar, Executive Director