

Decision 89 01 008 JAN 11 1989

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
Inland Express Service, Inc., to )  
establish a zone of rate freedom for )  
passenger stage service between )  
points in its authorized service area )  
and Los Angeles International Airport )  
(LAX), Ontario International Airport )  
(ONT), Palm Springs Airport (PSP), )  
Orange County-John Wayne Airport (SNA) )  
and the piers in San Pedro. )

**ORIGINAL**

Application 88-09-025  
(Filed September 12, 1988)

OPINION

Applicant, Inland Express Services, Inc. (IES), a California corporation, requests authority under Public Utilities (PU) Code § 454.2 to establish a "zone of rate freedom" (ZORF) between points in IES's authorized service area and LAX, ONT, PSP, SNA, and the piers in San Pedro. Notice of filing of the application appeared in the Commission's Daily Calendar on September 16, 1988. No protests to the application have been received.

IES operates in competition with buses, taxicabs, limousines, and other passenger van operations. Several of its competitors have been granted authority to establish ZORF's. Approval of this application would allow IES to be competitive in the transportation marketplace. The ability to adjust rates in a timely manner will allow IES the flexibility to balance costs and revenues and to remain financially stable.

IES proposes a ZORF at no more than \$5.00 above and \$5.00 below its present rates for a single passenger and a ZORF at no more than \$3.00 above and \$3.00 below its present rates for additional passengers in the same party.

IES currently utilizes eight vehicles in its door-to-door passenger stage service. Its service area includes various communities and cities in Riverside County, San Bernardino County, and eastern Los Angeles County.

Findings of Fact

1. IES requests authority to establish ZORFs.
2. IES operates as a passenger stage corporation between portions of Riverside County, San Bernardino County, and eastern Los Angeles County, on the one hand, and the LAX, ONT, PSP, and SNF airports, and the piers in San Pedro, on the other hand.
3. IES operates in competition with other passenger stage corporations, taxicabs, buses, and limousines.
4. Competitors of IES have been authorized to establish ZORF's.
5. Market competition together with the authorized ZORF will result in reasonable rates and charges.
6. As there have been no protests, a public hearing is not necessary.
7. Granting of the requested authority will provide IES with the ability to readily adjust rates and charges and meet competition without undue delay.

Conclusions of Law

1. The application should be granted as requested.
2. Before IES charges any ZORF rates, it should be required to file such rates with the Commission on 10 days' notice.
3. The filing of ZORF rates should be accompanied by a tariff amendment which shows for each ZORF point the high and low of the ZORF as well as the then currently effective rate.
4. ZORF rates should not be accepted for filing to or from a point unless that point is an entire incorporated city, or the boundary of the point is described with particularity in IES's tariffs.

ORDER

IT IS ORDERED that:

1. Inland Express Services Inc. (IES) is authorized to establish ZORF's as set out in its Exhibit B to the application.
2. IES may charge rates within its ZORFs only by first amending its tariff on not less than 10 days' notice to include such rates, showing the high and low end of its ZORF as well as the currently effective rate.
3. No ZORF will be accepted for filing unless the fare point is an entire incorporated city or the boundary of the point is described with particularity in IES's tariff.
4. The application is granted as set forth above.

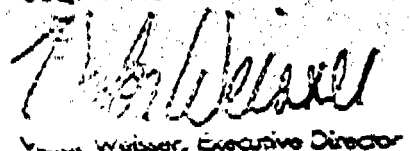
This order is effective today.

Dated JAN 11 1969, at San Francisco, California.

G. MITCHELL WILK  
President  
FREDERICK R. DUDA  
JOHN B. OGANIAN  
Commissioners

Commissioner Stanley W. Hulett  
being necessarily absent, did  
not participate.

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

  
Victor Weisner, Executive Director