ALJ/RAB/ltq



APR 1 3 1989

Decision 89 04 029 APR 1 2 1989

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA Mailod

Application of ALBERTO SEMEDO d.b.a.) ALBERT TRANSPORT for certificate of) public convenience and necessity to) operate and provide passenger stage) service between points in Los Angeles) County, such as Los Angeles) International Airport, Long Beach) Airport, and John Wayne Airport, and) points in-between.)

Application 88-05-002 (Filed May 2, 1988)

Said M. Sharif, Attorney at Law, for Alberto Semedo, applicant.

S. E. Rowe, by <u>K. D. Walpert</u>, for the Department of Transportation, City of Los Angeles, protestant.

<u>OPINION</u>

Applicant Alberto Semedo (Semedo), doing business as Alberto Transport, seeks a certificate of public convenience and necessity to provide passenger stage service between points in Los Angeles County and Los Angeles International Airport (LAX) or Long Beach Airport (LGB). (Semedo withdrew his request for service to John Wayne Airport.) SuperShuttle of Los Angeles, Inc., a competing passenger stage operator, and the City of Los Angeles (City) filed protests, but only the City appeared.

Semedo currently operates as a charter party carrier under TCP 4129P with his headquarters in San Pedro, operating one vehicle, a seven-passenger van, and serving the South Bay area of Los Angeles County.

He testified that he has operated as a charter party carrier for about two years and that his regular passengers have requested van service to LAX and LGB. Although operating only one van at present, if certificated he will operate two vans with four

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employees. In addition to his regular customers, he serves several hotels in the South Bay area which have requested increased van service to the airports. He testified that he came to America ten years ago as a seaman, then worked in a garage in San Pedro as a mechanic for six years before starting his charter party carrier business. He said that he now has the experience and finances to expand his business into a regular airport shuttle. His fare would be \$20 from San Pedro to LAX.

Semedo presented two witnesses who testified to his ability as a carrier; that he is reliable and courteous. One witness testified that his fares are more reasonable than other carriers and that she would use him to travel to the airports. She believes that there is a great demand for additional service to and from LAX or LGB to the South Bay area.

The City presented three witnesses in opposition to the grant of authority. The City's West Los Angeles district engineer testified that the number of passenger stage vans at LAX causes excessive traffic congestion and that additional van companies will make matters worse. The City, however, admitted that there were no restrictions at LAX on the number of van companies that could operate at the airport, or the number of vans each could operate, or the number of daily trips each van could make.

A representative of United Independent Taxi testified that there was adequate service at LAX - "more than enough." He said that in the City of Los Angeles there are approximately 1,100 legitimate cabs, and there are hundreds of passenger stage vans that operate at LAX. Between the cabs and the vans there is sufficient service at LAX, and no need for more operators.

A public utilities transportation inspector of the City testified that there were sufficient passenger stage vans at LAX. During peak hours at the airport there is traffic congestion, vans are double parked and sometimes block taxi zones. About 800 City licensed cabs work the airport. Service is satisfactory. She said

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that the City regulates the number of cabs on the street. Until need is shown a taxi company cannot add vehicles to its fleet. Discussion

This application is similar in many ways to prior applications which were granted despite showings that there is congestion at LAX and there are sufficient vans and taxis currently operating to meet the needs of the general public. In Decision 88-11-006 in Application 88-02-021 we granted a certificate of public convenience and necessity after observing: "The problems at LAX are not going to be helped or hindered by the grant of this application. SuperShuttle, with its 200 vans, and other operators can always add equipment and, to the extent competitors are kept off the airport, the remaining carriers may exercise quasimonopoly powers over ground transportation." (At p. 4.)

In regard to Semedo, he has shown that his customers desire regular van service to the airport, and would prefer his service to others. This supports public convenience and necessity. We see no reason to deny a small operator the opportunity to expand when to deny the opportunity would only allow the large, established operator to add more equipment and start new routes. <u>Findings of Fact</u>

1. Applicant has the ability, equipment, and financial resources to perform the proposed service.

2. Public convenience and necessity require the proposed service.

3. The rates proposed in the application are deemed reasonable.

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.

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Conclusion of Law

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

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.

<u>ORDER</u>

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Alberto Semedo authorizing him to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in Appendix PSC-4129, to transport persons and baggage.

- 2. Applicant 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 his 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 § 403 when notified by mail to do so.

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3. Frior to initiating service to any sirport, applicant shall notify the airport authority involved. 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.

4. Applicant is authorized to begin operations on the date that the Executive Director mails a notice to applicant that he has evidence of insurance on file with the Commission, and that the California Highway Patrol has approved the use of applicant's vehicles for service.

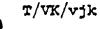
This order is effective today. Dated <u>APR 1 2 1989</u>, at San Francisco, California.

> G. MITCHELL WILK President STANLEY W. HULETT JOHN B. OHANIAN PATRICIA M. ECKERT Commissioners

Commissioner Frederick R. Duda being necessarily absent, did not participate.

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

Victor Weisser, Executive Director



Appendix PSC-4129

Alberto Semedo

Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-4129

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

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.

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Appendix PSC-4129

Alberto Semedo

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Appendix PSC-4129

Alberto Semedo

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

Alberto Semedo by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers and baggage on a door-to-door, on-call basis between points in Los Angeles County and Los Angeles International (LAX) or Long Beach (LGB) Airports, 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:

- 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 operations 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 the authorized door-to-door, on-call service will be provided, 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 a point of origin or destination at LAX or LGB.
- (e) This certificate does not authorize the holder to conduct any operation on the property of or into any airport unless such operation is authorized by both this Commission and the airport authority involved.

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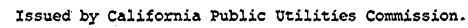
SECTION 2. SERVICE AREA DESCRIPTION

Includes all points within the geographical limits of the following cities/communities and postal zip codes:

Torrance 90501-90510 Venice 90291 Wilmington 90744
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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 or LGB.



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