

# Decision 89 06 038 JUN 21 1989

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SuperShuttle of Los Angeles, Inc. (PSC-1275) for authority to provide scheduled service from the downtown Los Angeles Greyhound terminal to Los Angeles International Airport.

Application 89-02-052 (Filed February 27, 1989)

# **OPINION**

SuperShuttle of Los Angeles, Inc. (SuperShuttle), a California corporation, seeks to amend its passenger stage corporation certificate of public convenience and necessity, (PSC-1275) to add scheduled service one way from the downtown Los Angeles Western Greyhound bus terminal to Los Angeles International Airport (LAX) and to include this scheduled service within its presently authorized zone of rate freedom (ZORF) established pursuant to Section 454-2, Public Utilities Code in Decision (D.) 87-04-071.

Specifically, SuperShuttle seeks to add the following authority to its certificate:

#### Scheduled Service: LA Greyhound Terminal -- LAX

Irregular route scheduled service, in one direction only, between the following fixed termini:

From: The downtown Los Angeles, Western Greyhound terminal located at 208 East Sixth Street, Los Angeles,

To: Los Angeles International Airport

(LAX).

Although the route taken will vary since applicant will make stops on an on-call basis at intermediate points, the route will generally be over various surface streets from the downtown Greyhound terminal to the Santa Monica Freeway, then via Interstate 405 to LAX.

SuperShuttle currently provides on-call, door-to-door passenger stage service between LAX, Long Beach Airport, and the Los Angeles and Long Beach Harbors, on the one hand, and certain points in Los Angeles County, on the other hand; and, provides on-call, door-to-door, and scheduled service between LAX, John Wayne/Orange County Airport, and Burbank-Pasadena-Glendale Airport, on the one hand, and all points and places in the Los Angeles metropolitan service area, on the other hand, over and along certain routes. In addition, SuperShuttle performs charter-party transportation services pursuant to its authority designated as TCP 3484-P.

Applicant's proposed base fare for the service is \$10 per passenger, which is the same as the current rate for the on-call service to LAX from the same location. The \$10 on-call rate lies within a ZORF of \$8 to \$12 authorized by the Commission in D.87-04-071. Applicant requests that this same ZORF of \$8 to \$12 be applied to the proposed \$10 rate for the proposed scheduled service.

The service will be provided in accordance with duly published time schedules. Initially, the service will be provided hourly, with pickups 45 minutes after the hour between 4:00 a.m. and 10:00 p.m. and with arrivals at LAX commencing at 5:45 a.m. and then at 7:00 a.m. and every hour on the hour thereafter until 11:00 p.m.

SuperShuttle proposes to provide the service using its existing fleet of modern, radio-equipped, seven-passenger Dodge vans, which now numbers approximately 200 units.

Applicant proposes to provide scheduled service between the downtown Greyhound terminal and LAX in order to fill the service gap left by the abandonment of that route by FunBus, the currently authorized carrier. Although FunBus was unable to continue to provide such services, there is a continued demand for passengers to be able to make timely connections between the terminal and LAX without having pre-arranged reservations. By virtue of the size and capability of SuperShuttle's existing operations in the Los Angeles metropolitan area, SuperShuttle alleges its ability to efficiently fulfill that need for scheduled service in combination with its on-call, door-to-door service in the area.

Notice of filing of the application appeared in the Commission's Daily Transportation Calendar on March 6, 1989. In addition, notice of the filing of the application was served by applicant on all governmental agencies and regional transportation planning agencies within whose boundaries passengers will be loaded and unloaded. There have been no protests to the application filed with the Commission, and Transportation Division staff recommends ex parte handling of the application.

# Findings of Fact

- 1. Applicant requests a certificate of public convenience and necessity authorizing it to conduct scheduled passenger stage service between the Western Greyhound terminal in downtown Los Angeles and LAX.
- 2. Applicant also requests that its ZORF be extended to include fares of \$2 above and \$2 below its proposed rate of \$10 and that it be permitted to keep its ZORF established in D.87-04-071.
- 3. Applicant currently operates a passenger stage service in vans between downtown Los Angeles and LAX.
- 4. Applicant operates approximately 200 radio-equipped vantype vehicles in the Los Angeles area.

- 5. Public convenience and necessity require the granting of the application.
- 6. Applicant is fit, willing, and able to conduct the proposed service.
- 7. In the conduct of its present and proposed operation, applicant will experience competition from private automobiles and Commission regulated passenger stage corporations.
- 8. Competitive pressure in the market in which applicant proposes to serve will keep rates competitive with respect to market demand, changing market conditions in a timely manner, while maintaining sufficient operating ratios.
- 9. The competitive transportation services fall under the purview of § 454.2 and will result in reasonable rates when considered along with the proposed ZORF.
- 10. The granting to applicant of an exemption to the longand short-haul provisions of Public Utilities (PU) Code § 460 in respect to the established ZORF is appropriate in this case.
- 11. It can be seen with certainty that there is no possibility that the activities in question may have a significant effect on the environment.

# Conclusions of Law

- 1. The application should be granted.
- 2. Before applicant changes any ZORF fares, it should first file such fares with the Commission on 10 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 the then currently effective rate.

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.

### ORDER

#### IT IS ORDERED that:

- 1. A certificate of public convenience and necessity is granted to SuperShuttle of Los Angeles, Inc., a corporation, authorizing it to operate as a passenger stage corporation, as defined in PU Code § 226, between points set forth in Appendix PSC-1275, as amended, 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 90 days after this order is effective.
    - c. State in its 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; show thereon the allowable limits of the ZORF granted by this order for each point of its authorized service.
    - 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.
- 3. Prior to initiating service to any airport, applicant shall notify the airport authority involved. This certificate does not authorize the holder to conduct any operations on the property

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of or into any airport unless such operation is authorized by both this Commission and the airport authority involved.

- 4. The ZORF established by D.87-04-071 is extended to apply to scheduled service authorized herein from the Western Greyhound terminal in downtown Los Angeles and LAX.
- 5. Applicant may change 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 end of its ZORF as well as its then currently effective rate.
- 6. 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.
- 7. Applicant is relieved from the provisions of the long-and short-haul requirement of PU Code § 460 only where the charging of any rate within it published ZORF could otherwise be forbidden by PU Code § 460.
- 8. These authorities shall expire unless accepted within 30 days after the effective date of this order.

The appli	cation is grant	ed.	
This order is effective today.			
Dated		, at San Francisco, Califo	

G. MITCHELL WILK-President-FREDERICK R. DUDA STANLEY W. HULETT JOHN B. OHANIAN PATRICIA M. ECKERT Commissioners

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

Victor Weisser, Engaytive Director

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Appendix PSC-1275

SUPERSHUTTLE OF LOS ANGELES, INC.

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SECTION 2. ROUTE DESCRIPTIONS. (Continued)

# Route TA-5 - Anaheim/Compton-LAX

Beginning at the Anaheim Hills Motor Inn in Anaheim Hills, then via Artesia Freeway (Rte. 91), Harbor Freeway (Rte. 11), San Diego Freeway (I-405) to LAX with stops at Griswold's Inn and Holiday Inn, Fullerton; Granada Royale Hotel and Buena Park Hotel and Convention Center, Buena Park; Gateway Plaza Holiday Inn, La Mirada; Saddleback Inn, Norwalk; Granny's Donut Shop, Bellflower; and Willow Tree Inn, Compton.

# Route TA-6 - Orange/Anaheim-LAX

Beginning at the Roadway Inn in Orange, then generally via Chapman Ave., Harbor Blvd., Convention Way, Cerritos Ave., Walnut St., Ball Road, Santa Ana Freeway (I-5), Artesia Freeway (Rte. 91), Harbor Freeway (Rte. 11), San Diego Freeway (I-405) to LAX with stops at Holiday Inn, Marriott Hotel, Conestoga Inn, and the Sheraton Anaheim Hotel, Anaheim.

# Route TA-7 - Seal Beach/Long Beach-LAX

Beginning at the Leisure World in Seal Beach, then via Long Beach Freeway (Rte. 7) and San Diego Freeway (I-405) to LAX with the following Long Beach stops: Holiday Inn, Breaker's Hotel, Hyatt Regency, the Queensway Bay Hilton, and RMS Queen Mary.

#### Route TA-8 - Mission Vieto - LAX

Beginning at the Mission Viejo Mall in Mission Viejo, then via the San Diego Freeway (I-405) to LAX with stops at Holiday Inn and Hyatt Lodge, Laguna Hills; Travelodge, El Toro; Irvine Transportation Center and Irvine Marriott Hotel, Irvine; SNA; and the Holiday Inn, Costa Mesa.

\*Route TA-9 - Downtown LA/Greyhound terminal - LAX (SCHEDULED)

Beginning at the downtown Los Angeles Greyhound terminal, then via the most convenient streets to Santa Monica Freeway and San Diego Freeway (I-405), then to LAX.

Issued by California Public Utilities Commission.

\*Added by Decision \_\_\_\_89 06 038\_\_, Application 89-02-052.