

Decision 89 07 009

JUL 6 1989

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In Re the matter of the Application)
of W.T.M. Enterprises, Inc., dba)
Green Flag Airport Shuttle, and)
Coast Yellow Cab Cooperative, for)
transfer Passenger Stage Authority)
PSC 1151-P pursuant to Sections 851)
and 854 of the Public Utilities)
Code.)

JUL 6 1989

Application 89-03-035
(Filed March 23, 1989)

OPINION

W.T.M. Enterprises, Inc. (W.T.M. or transferor), a California corporation doing business as Green Flag Airport Shuttle, and Coast Yellow Cab Cooperative, Inc. (Coast or transferee), a California corporation, jointly apply for authority to transfer W.T.M.'s passenger stage authority (PSC-1151) to Coast pursuant to California Public Utilities (PU) Code §§ 851 et seq.

Notice of the filing of this application appeared in the Commission's Daily Transportation Calendar on March 27, 1989. No protests have been received and Transportation Division recommends that the application be granted by ex parte order.

Transferor presently conducts an airport shuttle service between Los Angeles International, Long Beach, Orange County, and Ontario International Airports and designated points in Orange and Los Angeles Counties (PSC-1151). Additionally, transferor holds charter-party permit (TCP-1151-P) which W.T.M. will voluntarily surrender if this application is granted.

Reasons given for the proposed transfer are that transferor is experiencing financial difficulties despite the demand for its services, and the transferee, on the other hand, has an established public ground transportation operation and is interested in expanding the scope of its operation to include passenger stage operation. It is stated that transferee receives

many requests for airport shuttle service and feels that a passenger stage operation such as transferor's will enable it to offer a greater range of ground transportation services to its clients.

Applicants anticipate that the transferor's operation can be profitable through the increased cash and clientele that can be provided by the transferee, and, through consolidation, the operation will become more efficient and result in a greater service to the public.

Purchase agreements attached to the application show that transferee will acquire all of transferor's assets for \$150,000 payable \$70,000 in cash and the balance by a five-year note at 10% interest.

After the consummation of the proposed transaction, the parties allege that transferee will conduct the same service which transferor presently provides. It is further stated that such service will be favorably received by the passengers who have been transferor's patrons in the past and that there are no changes anticipated in the present operation except that the shuttle will be operated as a division of transferee.

Findings of Fact

1. Coast has the ability, experience, equipment, and financial resources to assume and conduct the existing service sought to be transferred.
2. Public convenience and necessity require the transfer of authority from W.T.M. to Coast.
3. As there have been no protests, a public hearing is not necessary.
4. It can be seen with certainty that there is no possibility that the transfer of existing authority or the conduct of service within such authority may have significant effect on the environment.

5. In view of the allegations that transferor is operating at a loss and causing service deficiencies pending approval of this application, this decision should be effective upon the date of signing.

Conclusion of Law

The proposed transfer is in the public interest and should be authorized. A public hearing is not necessary.

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. By July 31, 1989, W.T.M. Enterprises, Inc. may sell and transfer the operative rights and property specified in the application to Coast Yellow Cab Cooperative, Inc. (Coast).
2. Coast shall:
 - a. File with the Transportation Division written acceptance of the certificate and a copy of the bill of sale or other transfer document within 30 days after transfer.
 - b. Amend or reissue seller's tariffs and timetables, state in them when the service will start, make them effective 10 or more days after this order is effective, and allow at least 10 days' notice to the Commission.
 - c. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol safety rules.
 - d. File an annual report of seller's operations for the period from the first day of the current year to the date of transfer.

- 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. If the transfer is completed, on the effective date of the tariffs a certificate of public convenience and necessity is granted to Coast, a corporation, authorizing it 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-3014 to transport persons and baggage.

4. The certificate of public convenience and necessity granted by Decision 92951 dated April 21, 1981 is revoked on the effective date of the tariffs.

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


6. If the transfer is not consummated July 31, 1989, the authority granted in Ordering Paragraph 1 shall lapse.

This order is effective today.

Dated JUL 6 1989, at San Francisco, California.

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

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


Victor Weiszon, Executive Director

Appendix PSC-3014

Coast Yellow Cab
Cooperative, Inc.

Original Title Page

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION
PSC-3014

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.

Issued under authority of Decision 89 07 009, dated
JUL 6 1989, of the Public Utilities Commission of
the State of California in Application 89-03-035.

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Decision 89 07 009, Application 89-03-035.

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

Coast Yellow Cab Cooperative, Inc. (Yellow Cab), by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers and their baggage on an "on-call", door-to-door service between Los Angeles International Airport (LAX), John Wayne Airport (SNA), Long Beach Airport (LB), and Ontario International Airport (ONT), on the one hand, and all points and places in the Orange County Service Area and the Los Angeles Metropolitan Service Area, on the other hand, subject, however, to the authority of this Commission to change or modify the routes at any time and subject to the following provisions:

- a. No passenger shall be picked up at an airport or an off-airport bus stop of Airport Service, Inc., or successor entities, unless a reservation has been made at least one-half hour in advance.

EXCEPTION: Passengers at airports completing round trips with Yellow Cab.

- b. Yellow Cab shall not appear at any off-airport pickup/delivery point of Airport Service Inc., within 10 minutes of any scheduled stop of Airport Service, Inc., or successor entities.
- c. Yellow Cab shall not, for any reason, spot any vehicle at an airport or at an off-airport bus stop of Airport Service, Inc., or successor entities for the purpose of waiting for radio calls to pick up passenger or for similar purposes.

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SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS. (continued)

- d. No passengers shall be transported except those having origin or destination at one of the four airports identified above, on the one hand, and, on the other hand, an origin or destination within the Orange County Service Area and/or the Los Angeles Metropolitan Service Area.
- e. Service shall be rendered via a direct route from the point of origin to the point of destination of a passenger, except that when more than one passenger is to be transported in a single vehicle, service shall be rendered by the most direct routings possible, taking into consideration the various points of origin and destination of the several passengers.
- f. Yellow Cab shall have discretion in choosing routings and order of origins and destinations based upon the above considerations.
- g. 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 each authorized on-call service will be rendered.
- h. 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.

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SECTION II. SERVICE AREA DESCRIPTION.

Orange County Service Area

Within the geographical limits of the County of Orange.

Los Angeles County Service Area

Los Angeles River on the west; U.S. Highway 101, the unnumbered extension of the San Bernardino Freeway, and Interstate 10 (San Bernardino Freeway portion) on the north; the western boundaries of San Bernardino and Orange Counties on the east; and the Pacific Ocean on the south.

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