

Decision 89 09 075

SEP 27 1989

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Cornelis Berghout,)
dba Campbell Commute, P.S.C. 1048,)
to establish a "ZONE OF RATE)
FREEDOM" for its "HOME TO WORK")
commute service between its)
authorized service area of the)
City of Campbell and San Jose and)
United Airlines Maintenance Base)
at San Francisco International)
Airport.)

ORIGINAL

Application 89-02-054
(Filed February 28, 1989;
amended April 4, 1989)

O P I N I O N

Cornelis Berghout (applicant), doing business as Campbell Commute, a passenger stage corporation, has requested authority to establish a zone of rate freedom (ZORF) under Public Utilities (PU) Code § 454.2 for application on its "home to work" commute route between points in the communities of Campbell and San Jose, on the one hand, and the United Airlines Maintenance Base at San Francisco International Airport, on the other hand.

Applicant proposes a ZORF between and including \$15 and \$30. The present fare is \$15 for five (daily) round-trip tickets. Applicant also offers one-day tickets at a percentage of the weekly fare.

Applicant alleges that he is competing with private van pools who are not subject to Commission regulation in addition to taxi cabs and rented automobiles and vans. His operating expenses are increasing, and it is necessary to be authorized to raise rates within reasonable limits without the need to formally apply whenever a change is made.

Applicant has attached a brief income and expense statement to his application which indicates that his operation is profitable.

The staff has recommended that the tariffs published pursuant to this order state the authorized maximum fares, the authorized minimum fares, and the fares to be actually charged for the transportation provided.

Applicant should be granted an exemption from the long- and short-haul provisions of PU Code § 460. A contrary finding might limit the carrier's ability to establish competitive rates where others are providing the same service.

Copies of the application were mailed to the San Francisco and San Mateo County Clerks, and to the United Airlines Maintenance Depot at the San Francisco International Airport. Notice of the filing of the application and its amendment were provided in the Commission's Daily Calendar on March 3 and April 7, 1989. There have been no protests or requests for hearing.

Findings of Fact

1. Applicant is a passenger stage corporation providing "home to work" service from the communities of Campbell and San Jose to the United Airlines Maintenance Base at the San Francisco International Airport.
2. Applicant requests authority to establish a ZORF between and including \$15 and \$30 for five days' round-trip transportation.
3. Applicant is competing with private van pools, taxi cabs, and rented automobiles and vans.
4. The ZORF will permit applicant to adjust his rates as required by his competition and rising operating expenses.
5. Applicant should be exempted from the long- and short-haul provisions of PU Code § 460.

Conclusions of Law

1. The application should be granted.
2. Before applicant charges 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 the high and low ends of the ZORF as well as the then currently effective rate.

ORDER

IT IS ORDERED that:

1. Cornelis Berghout, doing business as Campbell Commute, is authorized to establish fares within a Zone of Rate Freedom (ZORF) between the lower limit of the ZORF that will be the present authorized fare of \$15 as the minimum fare and the upper limit of the ZORF of \$30 for five days' round-trip transportation.

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. The authority for ZORF shall expire unless exercised within 60 days after the effective date of this order.

3. Any fare changes within its ZORF may be made by applicant by filing and amending its 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. Applicant is relieved from the provisions of the long- and short-haul requirements of PU Code § 460 in establishing the authorized ZORF fares.

5. In addition to posting and filing tariffs, applicant shall post a printed explanation of its fares in its fare passenger carrying vehicles 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.

6. The application is granted as set forth above.
This order is effective today.

Dated SEP 27 1989, 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
COMMISSIONERS TODAY.

Wesley Franklin

WESLEY FRANKLIN, Acting Executive Director