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OPINION

I. SUMMARY

In the past ten years, the transportation of passengers in vans (on-call service) has evolved from an exception to our timetable filing requirements into a popular, thriving market, especially at airports. The Commission's attention was drawn to this market by frequent carrier complaints of unlicensed carriers and unlawfully operating licensed carriers at major airports. In response to these complaints, we ordered our Transportation Division (TD) to investigate. TD recommended revising the rules and procedures governing all passenger carrier services. As a result, this rulemaking was instituted in which we now adopt changes to these rules.

This decision cancels General Orders (GOs) 79 (Construction and Filing of Passenger Tariffs Issued by Passenger Stage Corporations) and 98-A (Rules and Regulations Governing the Operations of Passenger Stage Corporations and Passenger Charter-Party Carriers). GO 98-A is replaced by GO 157 (Rules and Regulations Governing the Operations of Charter-Party Carriers of Passengers) and GO 158 (Rules and Regulations Governing the Operations of Passenger Stage Corporations). The new GOs are attached as Appendixes A and B, respectively. In addition, we revise Rule 15(f), now renumbered 15(e), to require that only carriers operating solely intrastate must submit certain exhibits with abandonment applications (Appendix C).

In summary, our new rules and procedures acknowledge the development of new passenger transportation services and set service requirements based upon the stage of development of each category of service--scheduled, on-call, and chartered. On-call service is still undergoing development. This new service warrants a less definitive service classification to allow it to

grow as public demand dictates. Scheduled service and chartered service, on the other hand, are expressly defined by longstanding passenger usage and regulatory history. Scheduled service is defined as service under a timetable provided to specific places at specific times. Chartered service is defined as prearranged exclusive use service. On-call service is unscheduled service and undefined in these regulations.

Carrier solicitation at airports was the source of most complaints. We believe defining "solicitation" will duplicate and interfere with airport jurisdiction and future airport regulation established to resolve congestion problems and facilities constraints. We reject arguments made by the limousine carriers that we should decline to apply City of Oakland v Burns (1956) 46 C 2d 401 (hereinafter City of Oakland) in order to assert jurisdiction over limousines operating on airport property. In our view such operations remain under the jurisdiction of the airports.

In spite of our regulatory treatment of on-call service and solicitation, we do not condone unlicensed service or unlawful operations by licensed carriers. We provide rules to better identify such carriers and authorize joint enforcement of airport authority regulations intended to address safety and congestion problems. Carriers violating such airport rules are not operating in the public interest. Future recommendations from our TD for procedural mechanisms to strengthen joint enforcement are encouraged.

We decline to limit entry of carriers to airport service because a greater need for more transportation service is created by the increase in air passengers since airline deregulation in 1978. We believe such action to be premature until airport traffic and facilities studies presently in progress are complete.

Certain issues argued in this proceeding are moot due to recent legislation. Courtesy vans have been exempted from Commission regulation and cooperative safety efforts between the

Commission and the Department of Motor Vehicles (DMV) and California Highway Patrol (CHP) have been mandated. (Public Utilities (PU) Code § 5353 and the Public Utilities Safety Enforcement Act of 1988 (the Act).)

We make no findings in this proceeding on whether wheelchair accessible service is needed statewide. We order a TD survey and report containing recommendations on the need for service and impact of ordering such service. This report shall be submitted to our Executive Director and parties in this proceeding within 270 days of the effective date of this order. This report will guide our decision on how to pursue this issue, if necessary.

We hold this docket open to approve revised Rule 15(e) after Government Code requirements are met.

## II. Procedural Background

On March 9, 1988, the Commission instituted this rulemaking proceeding to consider proposed changes in the regulation of passenger carrier services. Attached to the order was the TD's February, 1988 report. TD recommended cancelling GOs 79 and 98-A, implementing new GOs 157 and 158 and revising Rule 15(f) of the Commission's Rules of Practice and Procedure. TD concluded that changes in passenger stage carrier regulation to resolve problems occurring at the airports would necessarily affect charter-party carriers. Therefore, the order and attached TD report was mailed to both passenger stage and charter-party carriers, as respondents, and interested parties for their comments.

The date for filing opening comments was extended from May 9, 1988 to July 8, 1988 upon the request of the California Bus Association (CBA) and Greyhound. This extension was based upon the need for further informal discussion of the proposed rules before comments.

Opening comments were received from 16 respondents and interested parties on or before July 8, 1988. On July 18, 1988, a list of commenters was mailed to each party who filed opening comments with instructions to mail a copy of the respective comments to all other commenters by July 28, 1988.

On August 15, 1988, Greyhound Lines Company and Western Greyhound Lines (Greyhound) were granted the opportunity to file late comments.

On August 29, 1988, reply comments were received from six respondents and interested parties.

On October 5, 1988, Greyhound's request to file a reply to TD's modified recommendations was granted and limited to three pages. There was no objection to this request. As requested, Greyhound notified all commenters of the opportunity to file similar replies. On October 13, 1988, Greyhound filed a second reply.

### III. Overview

As of February 1988, the Commission had 170 licensed passenger stage corporations (PSCs) and 1,670 charter-party carriers (TCPs) in good standing. Equipment ranges from small sedans, limousines, and vans, to large buses. In addition, effective January 1, 1988, the six-passenger seat minimum criteria was removed from Public Utilities (PU) Code § 5359 causing the Commission to regulate all privately owned commercial passenger vehicle operations other than services exempted under other provisions of the PU Code.

Prior to 1976, passenger stage carriers were of one type: scheduled carriers operating from fixed termini on regular routes in large buses with monopoly service. In passenger stage service a

marked shift has occurred from tightly regulated, monopoly provision of large bus scheduled service to the present more loosely regulated, competitive, and multi-service market.

Tremendous growth in airline travel and related ground transportation has occurred since airline deregulation in 1978. With this growth has come competition between scheduled service and on-call service and among on-call services as well. As a result, applications for new carrier authority, requests for service changes, and competitor complaint proceedings have increased. Seventy-one percent of all passenger stage formal filings in 1987 related to airport access service.

Specific milestones in the Commission's regulatory policy to adjust to the new competitive environment have been: the 1976 granting of on-call mini-bus passenger stage service from downtown San Francisco to the airport (Lorrie's, Decision (D.) 86121 in Application 55983); the 1980 introduction of direct competition in the intercity bus market (American Buslines, D.91279); and, the 1985 Commission decision directly addressing the interplay between public demand for alternative transportation service and strict enforcement of technical tariff violations. (Wilmington Cab Company, D.85-10-024.) Thus, by 1985, the Commission had granted passenger stage certificates for competitive mini-buses and on-call vans, changing the tradition of using large buses to the new modes of transportation demanded by the public.

The Commission recognized the increasing problems of the rapidly changing and competitive airport market in the Wilmington Cab Company decision (Ibid.) Airports with limited roadways were becoming increasingly congested. The growth in numbers of air passengers at airports was attracting unlicensed operators and enticing carriers to violate certification boundaries of their authority.

The new minibus and van services were still governed by outdated GOs 79 and 98-A which set operating standards for buses



and trolleys. The Commission ordered TD to review GO 98 and the issues of solicitation and on-call service and, if appropriate, recommend a rulemaking proceeding:

"Although the Commission has not attempted to regulate passenger solicitation in any comprehensive or specific manner, we recognize that solicitation practices may pose serious regulatory problems in maintaining a level playing field for PSCs [passenger stage carriers] so that competition may effectively serve the diverse needs of passengers. When viewing on-call PSC services in competition with scheduled PSC services we must be aware of how solicitation practices may affect the sustainability of both services at reasonable rates, recognizing that the investment requirements for sustainability may differ greatly between the two. (D.85-10-024, at p. 19a.)

"Further, we will direct our Transportation Division to review the issue of solicitation of passengers by PSCs in the context described above and to make recommendations for curbing those solicitation practices that are incompatible with maintaining a level playing field for the sustaining of competitive forms of PSC services. For the present we would proscribe all passenger stage carriers and their agents from knowingly and personally initiating solicitations of persons and diverting such persons who otherwise would have been passengers of another carrier embarking from a specific location. (At p. 19.)

"During the hearings, Rouse noted that G.O. Series 98 was difficult to follow. It describes trolley and bus operations, but it does not specifically address on-call van operations. The record in these proceedings indicates a need to revise and update that general order to describe categories of service and to address general criteria including better definitions of types of service, record keeping, lighting, permissible activities, and impermissible activities, and applicability of provisions to different types of operations. This would provide the carriers with general

guidelines for their operations and provide the Commission and its staff with a better framework for evaluation of certificates." (At p. 26.)

The TD investigation of solicitation and other competitive behavior issues in the on-call airport access market resulted in the "Report on On-call Airport Ground Transportation Services" which was issued in April 1987. This workpaper was circulated to all carriers and interested parties to obtain suggestions before TD made recommendations to the Commission. The workpaper's cover memo by then Director Norman Kelley concluded:

"It is important to recognize that the public has greatly benefitted from on-call airport shuttle service, especially in the Los Angeles and San Francisco metropolitan areas. This growing industry was not created because of our regulations but, in many respects, in spite of them. But at this time, acceptance has grown to the point that, in certain areas, shuttles are the de facto base line service. It is correct that the growth of shuttle services has at times worked to the disadvantage of traditional scheduled bus service. However, an attempt to develop a policy that would 'establish a level playing field' could easily become a protective-oriented compromise that may very well stifle innovation and allow neither service to work to its full potential. It is time to consider the two basic policy options:

- "(1) to develop a regulatory mechanism that attempts coexistence of on-call and scheduled service, or
- "(2) to minimize economic control of all airport services, and address primarily public safety issues.

"In my view, the public can best be served in this particular instance by minimal government involvement, limited to public safety concerns."

In written remarks and workshops pursuant to this workpaper, major issues raised by parties were:

- o Lack of Commission enforcement against illegal carriers.
- o Need for the Commission to clearly articulate rules and regulations that will be uniformly enforced.
- o Concerns that airports discriminate in treatment of carriers, unnecessarily restrict their movements, and do not allow the traveling public full information and access to services.
- o High insurance premiums for Commission-licensed carriers.
- o Requests for strengthened safety regulation.

Los Angeles, San Francisco, Sacramento, and San Diego airports, which are presently experiencing ground transportation problems, are all receptive to increased Commission/airport agency coordination.

Large bus scheduled carriers, both urban and suburban, generally requested tighter economic regulation. Their remarks suggested limiting market entry, protecting service routes, adopting restricted and uniform on-call service definitions, and working to eliminate driver solicitation of passengers waiting for other carriers. Cost based rate regulation was favored by most; a few advocated rate windows and rate deregulation. Those who addressed regulating payment of commissions and discounts were divided in their opinions. Carriers cited the public policy goal of promoting mass transportation as they requested regulatory protection. On-call vans were viewed as an inexpensive taxi-type service which threatened the economic viability of scheduled carriers. The remarks of taxi organizations supported recommendations for on-call limitations. A notable exception to

the scheduled carrier position was Greyhound, which recommended limiting Commission regulation to safety and insurance issues.

On-call carriers cited the positive public response to their services and generally recommended limiting regulation to safety and insurance concerns. One carrier recommended that where undesirable competitive behavior, specifically solicitation, is a concern, individual hotels and airports were the entities best suited to regulate access to their property.

Charter-party carriers were represented by a cross-section of services: courtesy vehicles, limousines, vans, and large buses. A common and emphatic theme was that no additional regulatory requirements should be imposed. Most carriers expressed satisfaction with the present regulatory structure. Several limousine owners requested that the Commission reconsider its policy of requiring carriers to obtain airport authorization for operation on airport property. They argued these roadways were public and Commission jurisdiction preempted any airport authority regulations. Los Angeles International Airport's (LAX) new charter regulations were of specific concern.

A separate jurisdictional issue was raised regarding Commission licensing of vehicles providing "courtesy" shuttle service to customers of a primary business, such as hotel/motels, rental car companies, and off-airport parking lots. The Commission was requested to reconsider its present position of requiring these companies to obtain charter-party permits. (D.87-06-049, Application of Thrifty Rent-a-Car, Inc.)

Five airport authorities participated in the informal public comment on TD's workpaper. Each is active in regulation of Commission licensed carriers operating on its property. San Francisco and Orange Counties have exclusive carrier agreements, Los Angeles and San Diego have an open entry policy with specific licensing and operating requirements, and Sacramento has a single vehicle queueing system for on-call vans. All generally favor

full-size bus scheduled service over on-call vans and have strong concerns about solicitation practices and limited Commission enforcement actions. Each airport authority indicates some level of facility engineering constraints. Most expressed disagreement with the Commission's open entry policies and lack of a uniform definition for on-call service. LAX suggested that the Commission, in its revised general orders, should specifically define charter-party service as "prearranged."

Other suggestions in the investigation phase of this proceeding were from public and private planning regulatory organizations. Their remarks supported maintaining full-size bus scheduled carriers and emphasized the need for long-range transit planning.

Thus, TD conducted a thorough dialogue with the industry and related airport authorities prior to making its formal recommendations. After the workshops, TD issued a "Report On Passenger Carrier Programs and Recommendation for Commission Order Instituting Rulemaking Proceeding." Subsequently, this rulemaking was ordered. The Commission clearly stated that the TD report was intended as a starting point for discussion of the issues and not an indication that TD's conclusions were endorsed by the Commission.

After the issuance of the rulemaking proceeding, the formal comments received from interested parties mirror the concerns voiced in informal comments and workshops. However, all parties agree that GO 79 and GO 98-A are in need of updating, revision, and clarification.

#### IV. On-Call Service

Under GO 98-A, every passenger stage carrier, except those operating in urban service, must file timetables. (§§ 11.01 and 11.04.) On-call carriers do not operate under a timetable, and

therefore, have not been made subject to this requirement. However, they are required to file tariffs containing hours of service, fares, points served, and conditions of service. (GO 79.) On-call service is not defined in GO 98-A or GO 79.

Parties in this proceeding request a definition of on-call service to prevent pricing, scheduling, and solicitation abuse by on-call carriers. Parties request a definition of on-call service which includes a requirement that this service be "prearranged" to avoid circumvention of timetable filing requirements.

TD does not support this position because it conflicts with the Commission-stated goal of encouraging innovative and varied transportation services. In TD's opinion, the public should always have the option of immediate service from a common carrier, though it may be conditioned upon service being provided on a space-available basis.

TD describes "on-call" service as shared-ride, individual fare service that is customer-initiated by prior reservation, stand-hail, or approaching a parked vehicle. The service is usually provided by vans or limos and is demand responsive at both service origination and destination.

In proposed GO 158, TD uses the statutory definition of passenger stage service contained in PU Code § 226: any common carrier for compensation traveling over any public highway between fixed termini or over a regular route. (§ 2.02.) Scheduled service is expressly defined as all service provided to "specific places at specific times". (§ 2.05.) Scheduled carriers are required to file timetables. (§ 8.01.) On-call service is not performed at specific places or specific times. Thus, proposed GO 158 leaves on-call service as undefined, nonscheduled service with no requirement that on-call carriers file timetables. In essence, TD retains the exclusion from timetable filing for on-call service

provided in our interpretation of GO 98-A. TD distinguishes on-call service from charter-party service by requiring that charter-party service be "prearranged."

TD recommends that proposed carrier service be placed into the proper classification of scheduled passenger stage, on-call passenger stage or prearranged charter-party service in the application proceeding where approval of the service is being requested. Thereafter, a carrier is limited by the classification, terms, and conditions of service contained in the Commission certificate. The public will be informed of a passenger stage carrier's classification and terms and conditions of the service through TD's proposed posting requirements. (GO 158, § 8.04.)

SuperShuttle supports TD's recommendation for flexible definitions, but would amplify the demarcation between scheduled and nonscheduled service based upon its practical experience. Many hotels, for example, have asked SuperShuttle to have a van available for boarding at all times between certain hours. The service has technically been "prearranged" (the number of vans at any hotel in a given day will depend totally on customer demand) and thereby satisfies the essential criteria of charter transportation. But, it could be characterized as "fill-and-go" and thus possibly fall within "scheduled" service. The public will not benefit by such a characterization, in SuperShuttle's opinion, because the result is that the serving carrier will have to file schedules with the Commission and adhere to those schedules when all the hotel really wants is the ability to designate the frequency of service itself (based on guest demand) without having to call the carrier each time service is required.

SuperShuttle explains that a hotel concierge can call an on-call carrier every 20 minutes and request service, then cancel the trip if no guest is ready to go to the airport. Or, the hotel can simply ask the carrier to have a van available every 20 minutes

during certain hours until further notice. While the latter course clearly makes the most sense, SuperShuttle questions whether it results in "prearranged" charter party service or "scheduled" passenger stage service? According to SuperShuttle, the hotel will not care how the service is characterized and the question to be addressed in this rulemaking is whether the Commission should care.

SuperShuttle recommends that if "on call" is to be defined broadly by implying it is "nonscheduled," it may make sense to define "scheduled" quite narrowly by employing the present language in § 2.05 of the proposed GO 158 (specific places at specific times) but adding the phrase, "for which no prior arrangement has been made." With this modification, the term "scheduled service" would include service rendered under a carrier's operating authority and filed timetable, but exclude service that is provided at a particular facility at a frequency and under conditions determined by the operator of the facility in cooperation with the carrier.

In its reply comments, TD does not adopt this suggested revision and does not explain why it was rejected.

City of Los Angeles Department of Transportation (LADOT) opposes TD's reluctance to define "on-call" service. LADOT contends that with the privileges of a passenger stage certificate come the responsibilities. LADOT prefers a definition for "nonscheduled service" which is broad. If a PSC holds itself out to provide service within any stated minimum advance reservation time, the PSC is mandated to provide that service. According to LADOT, currently applicants are seeking vast service areas, which they propose to serve with minimal equipment and driver supervision, apparently planning to provide only service they deem will be conveniently profitable. In LADOT's opinion, a definition of "on-call" service should include the necessity of fulfilling all appropriate requests for service in a timely manner.



LADOT believes that TD in proposing minimal regulation expects competition to assure good service. It does not agree that this ideal will be achieved in on-call passenger transportation. Based on its experience, LADOT recommends that the Commission adopt regulations for on-call service and increase its enforcement personnel if the Commission encourages on-call PSCs.

FunBus Systems, Inc. (FunBus) believes that TD's refusal to define on-call service to conform to the general representations that were made to the Commission when authority was granted would promote wholesale violations of the law. FunBus advocates applying pricing and discrimination prohibitions to on-call carriers. FunBus believes that including "prearrangement" in a definition of on-call service would go a long way toward eliminating solicitation and other complaints.

#### Discussion

It is true that defining on-call service as "prearranged" may eliminate some solicitation. However, it places the burden on the passenger to prearrange departures from the airport, which would be impractical. A traveler would be prohibited from using on-call service readily available to depart the airport because advance preparations had not been made. It would be an inefficient use of transportation services to prohibit an on-call carrier from servicing such a passenger.

Requiring on-call carriers to file timetables is contradictory to the nature of the service which the public is demanding. Based upon the growth of this service, the public obviously desires door-to-door transportation which is available upon short notice and will continue to require information regarding hours of operation.

SuperShuttle's example of hotel van service available for boarding at all times between certain hours is a prime example of why General Order definitions should be broad and why classification of service is best determined on a case-by-case

basis. On-call services may be developed which do not clearly fall within any definition which we may adopt. However, if the suggestion by SuperShuttle is adopted, then it is necessary to define "prior arrangement" placing us in a position of setting time parameters. We do not have sufficient evidence to determine what these time limits should be and we believe any time limit we set will prevent carriers from serving last minute requests, leaving such passengers without transportation.

We do not believe restrictive definitions will allow the flexibility of regulation to promote innovative service that we seek to achieve in these new GOs. Obviously, it is unscheduled passenger stage service that is in a state of development to meet the increased public need at airports. It is better to define scheduled service and leave unscheduled service undefined than to unreasonably constrain future new services which do not operate by schedules. Broad language in our General Order allows for this development of new services. These new services may be evaluated and properly classified in the application process. Therefore, we agree with TD's approach to define scheduled service without time limits and leave nonscheduled service undefined. This provides a level playing field and room for innovative on-call service.

Abuse of the flexible definition of on-call service herein adopted will be minimized by TD's proposed vehicle identification requirements, posting of approved services and enforcement recommendations. We discuss enforcement, vehicle identification, and the posting of schedules and services below.

Although we do not deny that LADOT's concern regarding timely service in a competitive environment is a legitimate one, we have no indication that it involves every passenger stage carrier. We believe the issue of unsatisfactory service proposals can be addressed in the Commission application proceeding and unsatisfactory service operations in the complaint proceeding.

## V. Solicitation

Solicitation abuse constitutes the majority of airport service complaints which are filed at the Commission. In the commenting parties' examples of this behavior, the carriers' drivers are the abusers in all instances. Drivers engage in solicitation by announcing the destination of a vehicle to waiting passengers or approaching passengers, sometimes rudely, to persuade them to board their vehicles. In addition, drivers of services with dual passenger stage and charter-party authority form "ad hoc" groups at the airport in order to use the charter-party authority to transport the passengers.

San Francisco International Airport (SFO) provided a summary of carrier-related problems it has encountered. There are 150 carriers providing service to SFO. SFO permits only one operator to solicit business at the airport. On-call driver fights have occurred in passenger loading zones. On-call carriers' repeated circling the airport through passenger loading zones, waiting in loading zones, and double parking cause crowded conditions and hindrance in the flow of airport traffic. As a result, SFO has stationed airport police at on-call carriers' loading zones for 16 hours each day, increasing its operating costs by \$500,000 annually. SFO implemented an admonishment program in 1987 and has issued an average of over 500 traffic violation admonishments per week to on-call carriers. Traffic at SFO is so heavy that it is currently reassessing the efficient use of its roadways.

TD describes solicitation as "any driver-initiated contact with the public." TD's "Report on On-Call Ground Transportation Services" (the workpaper) documents the difficulty of regulating competitive behavior and concludes on page 23:

"Rules directly proscribing certain solicitation practices, fleeting and transient behavior, are most difficult to enforce, are not warranted in

the public interest, and are not appropriate as tools of economic regulation. Rules such as stop restrictions are also controversial, but stop restrictions are enforceable, because infractions can be easily verified."

TD indicates in its formal comments that its Compliance and Enforcement Branch cannot effectively enforce antisolicitation or stop-protection rules at airports or hotels without a significant increase in personnel. TD cites policy concerns in attempting to define proper versus improper solicitation and in denying the public access to a carrier of choice. TD does not propose any rules proscribing this behavior; however, TD does not encourage or promote driver-initiated public contact and will require strong justification of any tariff which includes such a provision in a service definition. In TD's opinion, concerns regarding diversion of passengers who otherwise would have been customers of another carrier at a specific location are more appropriately and effectively dealt with by a concerned carrier using dedicated private stops, advertising, pricing, ticketing, and/or increasing frequency of service.

TD believes that solicitation problems at airports are best handled by airport authorities who have defined carrier operating standards, including solicitation, specific to their facility needs and on-site enforcement presence. TD recommends that the Commission's role should be a supportive one, but believes that documented cases of repeated carrier violation of any airport regulation by airport authorities can be grounds for Commission denial, restriction, or revocation of carrier authority.

LADOT disagrees and recommends that the place and terms of solicitation must be in the carrier's tariffs.

Parties commenting on this issue agreed that violation of airport solicitation standards should be grounds for Commission suspension, revocation, and/or fines and that airport authority complaints carry sufficient weight to invoke these sanctions.

Limousine Owners Association (Limousine Owners) recommended that penalties for this behavior be stiffer than those presently applied.

Discussion

It is true that for the past few years airport congestion has increased. Commission licensed on-call carriers play a part in this problem, but we do not believe they are the direct cause. TD points out the tremendous airline passenger increase since airline deregulation in 1978. It is this increased public need for transportation services which is the root of airport congestion. This Commission has continued to license on-call airport carriers to serve this increased public need. Given our statutory responsibility of assuring that the public has adequate transportation service, we believe this policy decision is justified and proper. We believe that the airport authorities are taking proper action by reassessing facility constraints and studying new ways to improve congestion problems. Airport authorities have existing standards of carrier operations on airport property which, like our GOs, are being or have been revised and updated to meet these new challenges that on-call service presents. We believe we are both on the right track in seeking to accommodate a new type of transportation service which has developed in response to public demand. We can understand SFO's preference for scheduled service because it is predictable and easier to regulate. However, we cannot ignore public demand for on-call service.

Airport authorities have already defined solicitation or outlined prohibitions regarding solicitation in their regulations and they have the necessary on-site enforcement capability. We are concerned that any definitions of solicitation that we may adopt and our ensuing case-by-case interpretation of our definition will conflict with existing and future airport regulations. Therefore,

we agree with TD that defining solicitation is best left to airport authorities.

However, it is not in the public interest for the Commission to allow unlicensed carriers or carriers creating unsafe traffic conditions to operate on airport property.

PU Code §§ 1034 and 5379.5 allow any party to file a complaint against an unlicensed passenger stage or charter-party carrier and seek an immediate cease and desist order from the Commission for such behavior pending further Commission order.

Given the airport congested conditions, we cannot ignore carriers operating on airport property who persist in violating airport authority regulations established to address congestion, such as stop restrictions, loading and unloading zones, and parking regulations. Such carriers do not serve the public interest by adding to passenger service delays and creating unsafe traffic conditions at the airports. We consider this area one in which we should aid the enforcement of airport regulations. Therefore, where airport authorities are unable to correct such behavior by their internal enforcement procedures, these carriers should be reported to our TD Compliance and Enforcement Branch for investigation of violations of GO 157, § 3.02 and GO 158, § 3.01. This supportive Commission enforcement is recommended by TD. Airport authorities must submit to the Commission documentation to show that internal enforcement procedures have been followed and have failed to correct the carrier's violations. This documentation showing violation of our GOs provides good cause to suspend carrier operations under PU Code § 1033.5(a) and § 5378.(a).

The respondents recommend that Commission sanctions of suspension, revocation, and fines be invoked for violation of airport solicitation standards. We decline to find that solicitation, per se, is harmful to the public interest for reasons discussed above. However, where acts of solicitation include

violation of airport parking or traffic regulation and airport enforcement procedures fail, we consider this behavior to also violate the operating standards at airports, contained in the GOs adopted herein, as discussed above.

We adopt TD's recommendation that we support airport authority enforcement in the areas of our mutual concerns. However, we have no specific joint enforcement plan presented in this record. We desire that TD work closely with airport authorities to develop a specific joint enforcement program. For the present time, we order that joint Commission/airport enforcement be conducted under existing Commission enforcement procedures. Suspension, revocation, and the imposition of fines shall apply to found violations. Should the existing procedures be inadequate, TD must take the appropriate steps to change our procedures, such as recommending revisions to existing Rules of Procedure or offering new Resolutions for our adoption.

With this clarification of airport/Commission mutual concerns, we shall amend TD's proposed Commission standards for carrier airport operations:

"OPERATIONS AT AIRPORTS. No carrier shall conduct any operations on the property of or into any airport unless such operations are authorized by both this Commission and the airport authority involved. Consistent failure to comply with safety or traffic rules and regulations of an airport authority may result in suspension or revocation of Commission operating authority." (GO 157, § 3.02 and GO 158, § 3.01.)

#### VI. Fitness and Safety

Parties agreed that fitness to operate and safety standards should not be sacrificed in an industry that carries millions of passengers per year. The high number of trips with

short-turn around times mean drivers must be qualified and the maintenance of vehicles is crucial for public safety.

TD recommends that passenger stage and charter-party carriers comply with DMV and CHP standards for drivers and equipment maintenance. No party disagreed with these requirements.

We agree that vehicle maintenance and driver's qualifications are a primary safety concerns as the number of air passengers increases. TD's proposed rules for vehicles and drivers adequately address these concerns and we adopt them. (GOs 157 and 158, §§ 4.02 and 5.01-5.04.)

### VII. Certification

TD suggested that a standard form be derived for certification. LADOT did not oppose the standard form but recommended that all Rule 21 requirements be kept. TD did not provide this form in this proceeding, but indicated that it is being developed. We presume when this form is completed, TD will follow the appropriate Commission procedures for implementation.

SFO strongly recommended that licensing of on-demand vans to the airport from any area be limited. The basis of this request is congestion problems. As discussed above, we perceive increased air passengers to be the cause of this problem. SFO suggests that a showing of public need for such requests be required and a showing that the existing service is inadequate if there is scheduled service.

Under our present certification standards a carrier may show public need for transportation service at the airport by presenting evidence of public support for the proposed service. We have long departed from approving only monopoly service in order to accommodate competition between scheduled and on-call service. We believe this adjustment of regulatory policy is the appropriate one and are not convinced that it should be reversed. Limiting the



number of carriers to reduce airport congestion at the present time is a short-term solution which may jeopardize the adequacy of airport transportation service. Adopting short-term solutions may help the existing problems of solicitation and congestion but create new ones. We believe better and more permanent solutions will be derived from the airport authority studies on traffic management and facility use which are in progress. Therefore, we shall not limit the entry of carriers into airport transportation service pending the outcome of these studies.

TD indicates that airport authorities intend to file applications to set specific entry standards on an annual or biennial basis. We can understand another regulatory agency's frustration in attempting to place the entry issue before us. However, only regulated public utilities may file applications at the Commission. We encourage airport authorities to keep TD informed as airport studies progress. The results of these studies may prove helpful to reassess our decision on carrier entry, should it be necessary. In the future, if TD agrees that carrier entry should be reviewed, the proper procedure is for TD to request that a Commission investigation be instituted giving the reasons that such an order is needed.

SFO recommends that only well-financed carriers be certified, offering SuperShuttle as an example of adequate financing. However, the Independent Limousine Operators (Independent) allege that denying smaller businesses the opportunity to compete is contrary to our goal of promoting efficient service through competition and will hinder customer choice.

We agree that we cannot discriminate against small businesses. We also agree that financing must be adequate. Adequate financing will depend on the size and extent of proposed operations. Such a determination can only be made in an application proceeding on a case-by-case basis.

### VIII. Charter-party Carriers

#### A. Prearranged Transportation

LAX raised a basic issue regarding the nature of charter-party operations. LAX requested the Commission specify in its general order a requirement that charter-party operations be "prearranged".

TD agrees with this position and has included such a requirement in proposed GO 157 but does not define "prearranged." (§ 3.01.) The basic distinction between charter-party carriers and passenger stage corporations is that PSCs are common carriers operating individual fare service under approved tariffs. Charter-party service, with the exception of school bus contracts and sightseeing tours (PU § 5401) is prearranged, exclusive use services charging by the hour or mile. Commission decisions have been clear and consistent on this point. (D.82-05-069, D.83-09-048, and D.87-10-086.)

Eldon M. Johnson, representing himself, recommends that the term "prearranged" be limited to a time period, giving several examples to justify this request. Johnson asks if it is "prearranged" transportation when a van driver approaches three or four uniformed military personnel at various points in an airport, and "hustles" them into the formation of an on-the-spot charter group so that a TCP permit can be used as the basis of the transportation performed? Does the foregoing example change if the "hustling" is done within a minute or two of a scheduled departure of a PSC that provides scheduled service between the airport and the involved military base? Should a stand-and-hail TCP carrier be allowed to similarly conduct a "group formation" at a curb at the airport typically used by on-call PSC carriers?

Johnson further recommends that any acceptable definition of the term "prearranged" should include a geographic component that precludes "group formation" at or near the point of passenger

pickup. In Johnson's opinion, a suitable definition of the term "prearranged" should include a component that requires group formation by some identifiable person other than the TCP carrier itself. Johnson concludes that whatever the definition becomes, it should be precise, with full knowledge that the definition will be evaded if at all possible.

Independent disagrees that charter-party service should be defined as "prearranged." Independent concedes that the majority of their business is by prior demand and reservation, but they do have "stand-hail" customers where waiting zones are allotted at hotels which would be precluded if prearrangement is required.

SuperShuttle points out that carriers have increasingly resorted to "shared ride charters," as in Johnson's examples above, to circumvent restrictions on the carrier's passenger stage authority. Under such a scheme, the carrier picks up a group of individuals at the airport who may or may not be traveling together. The carrier then transports them to various points under a hastily arranged "charter" arrangement. SuperShuttle points out that if the Commission continues to ignore this type of activity as it has to date it will have effectively deregulated the airport ground transportation industry. Since a charter-party permit is rarely geographically restricted<sup>1</sup> and since charter service cannot by law be provided pursuant to tariffs (PU Code § 5375), SuperShuttle believes that the Commission's continued acquiescence in the existence of shared ride charters will result in an increasing number of passengers who will be forced to pay fares that are negotiated at the curbside. This type of fare arrangement

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<sup>1</sup> Class B permits are restricted to 40-mile pickup and Class P permits are restricted to 50-mile pickup.

will of course be financially injurious to those carriers whose fares are offered to the public at large through filed tariffs.

For these reasons, SuperShuttle recommends that the Commission modify the definition of "prearranged" by adding the language, "from a single origination point to a single destination point."

SuperShuttle does not, however, endorse the proposals of some commentators that carriers not be permitted to provide service under charter authority unless some sort of minimum time period is established for an advance reservation. If a carrier is willing to provide the exclusive use of its vehicle to a willing passenger, SuperShuttle believes there is no point in requiring that passenger to meet some sort of minimum time period to use the vehicle. In SuperShuttle's opinion, a passenger willing to pay for the exclusive use of the vehicle should not have to meet such a requirement.

#### Discussion

"Prearranged" charter-party service is well defined in prior Commission decisions cited above. From Johnson's examples, the person abusing this requirement is the carrier driver. To solve this problem, rather than specify a time within which charter service must be arranged prior to the transportation being provided, TD prohibits any "on-the-scene solicitation" and proposes strict document requirements to verify charter service.

For reasons discussed above, we do not adopt a definition of solicitation in these GOs. If we use the term anywhere in the GOs we defeat our previously stated purposes for excluding the term. Therefore, we shall remove the phrase "on-the-scene solicitation" from the definition of charter-party service. (GO 157, § 3.01.) However, we shall retain the verification recommendations.

We agree that time or geographic limits for prearrangement are difficult to set and this record contains

insufficient information on this issue. We prefer, and SFO supports, TD's recommended waybill requirements to verify that charter service has been prearranged. (GO 157, § 3.01.) These requirements are to ensure that charter-party drivers and carriers are not "hustling" passengers or organizing groups at the curb on airport property. Under these rules, only carriers or drivers conducting lawful operations will be allowed to approach passengers. We believe tightening regulations which prescribe a carrier or driver's contact with passengers directly addresses the problem that is occurring rather than unduly restricting the entire charter-party industry geographically or with time limits.

Johnson, Independent, and Limousine Owners oppose the waybill requirement as unreasonable. Both point out that drivers do not have a written waybill because of the prevalence of radio dispatching. Nor do drivers have a need for all of this information, according to Independent. Limousine Owners allege that the name and address of the person arranging the charter is proprietary, confidential, and of no value.

In response to these protests, TD revised Proposed GO 157, § 3.01. The word "driver" was replaced by "carrier." Johnson supported this revision but stated that opening carrier records to an airport employee was unreasonable. Johnson recommended that the section be further revised to limit an airport employee's inspection authority to trips involving charter service at its particular airport.

SFO opposed TD's revision and recommended that the driver, not the carrier, be required to have a waybill for on-the-spot verification of prearrangement by airport authorities. SFO currently requires that this information be maintained by charter and limousine services. SFO does not believe its preference is unworkable since any driver reassigned in the field can fill out a waybill at that time, and it can be kept with the vehicle.

SFO believes that drivers meeting passengers who wish to remain anonymous can do so if the passenger corroborates the driver's reservation under the assumed name. Further, SFO points out that it keeps no records of the names so they cannot be used to market an operator's clientele.

We agree that this information is valuable and needed for verification purposes at airports to resolve occurrences of unlawful operations. We cannot agree that customers have any expectation of privacy in ordering charter-party service. If a customer desires his/her name to remain confidential, he/she may make that request at the time service is arranged or any time thereafter. The carrier, driver, and airport authorities can respect this request by not releasing the name to the public. However, we cannot agree that authorized airport and Commission enforcement personnel operating under their respective jurisdictional powers should not be allowed to inspect this information to enforce their respective regulations.

We agree with SFO that verification of passenger reservations should be in the possession of the driver to avoid unlawful conduct. Any supporting documentation should be retained by the carrier. Therefore, we adopt TD's unamended version of GO 157, § 3.01, that is, the driver must possess a waybill indicating a passenger's reservation. We find that any carrier confidentiality of records under GO 66-C is outweighed by the need for airport authorities to inspect the waybill for enforcement purposes. The waybill itself must be retained as a carrier record. Carrier records supporting the waybill will be inspected by Commission enforcement personnel should a formal or informal complaint occur.

Limousine Owners points out that the "identification of the vehicle" to be placed in the waybill is ambiguous. Limousine Owners requests that we specify whether the license plate, vehicle identification number (VIN), or company designated vehicle number

is being requested. However, in its revised proposed GOs, TD did not adopt any clarifying language. We believe Limousine Owners' request for clarification is valid. Should we adopt the language as proposed by TD, carriers may not include vehicle identification which can be used to verify the lawfulness of their conduct even though they have met our GO requirement. Since this requirement is made to provide on-the-scene verification that service has been prearranged, the license plate is the most visible vehicle identification available to Commission or airport enforcement personnel. Therefore, we shall replace the proposed requirement for "identification of the vehicle" with the requirement that the "vehicle license plate number" be placed on the waybill. (GO 157, § 3.01-2.)

**B. Airport Commission Jurisdiction**

Independent alleges that limousines should not be included in this investigation since they are permitted or certificated carriers, are not in competition with other airport carriers, and set rates on a per capita basis. We do not agree. Carriers providing limousine service are usually charter-party carriers. Charter-party carriers were included in this investigation upon the advice of TD that in order to address abuses in airport transportation carriage, both passenger stage and charter-party regulations were in need of revisions. We find that notice to charter-party carriers of the proposed revisions in GO 98-A and allowing these carriers an opportunity to comment on these proposed revisions is mandated by due process. Limousine carriers are governed by GO 98-A and will be affected by its replacement, GO 157.

Independent contends that this Commission has exclusive jurisdiction to license and establish standards for the operation of charter-party carriers and must prohibit cities, counties, or any other public entity, such as LAX, from establishing license, permit, contract, or insurance requirements for charter-party

carriers. Independent bases this contention upon the California Constitution, the Charter-Party Act, the doctrine of state preemption over local regulation, the exemption of limousine carriers from airport regulation in Penal Code § 602.4, and the statewide concerns regarding airports contained in PU Code § 21690.5. Independent believes the Commission erred in D.90675 (Checkmate Yellow Cab) by relying on City of Oakland to find that airport roads were private property under exclusive airport jurisdiction. In Independent's opinion, by allowing airport authorities to regulate charter-party carriers, this Commission is unlawfully and arbitrarily abrogating its duty.

Limousine Owners join in Independent's request that this Commission alone regulate charter-party carriers. In Limousine Owners' opinion, the airports have clearly conveyed their lack of confidence in the Commission's ability to regulate charter-party carriers by their implementation of permit programs. According to this party, the possibility of suspension or revocation of charter-party authority for failure to comply with the rules and regulations of an airport is the equivalent of losing authority for a parking ticket in Beverly Hills. Limousine Owners represent that the airports are imposing additional insurance requirements, demanding that limousine charter-party carriers give up all rights to sue the airport regardless of fault, and are demanding a change in time-honored operating practices at the airports. Limousine Owners believes that the problem of illegal operators could be handled short of these new regulations by enforcing existing regulations.

TD relies on this Commission's findings in D.90675 as the final authority on the issue of airport and Commission jurisdiction to regulate airport carriers. TD believes that we have made clear our view that airport roads are private property subject to airport regulation. TD points out that the California Supreme Court has



declined to review Commission decisions on this matter and urges that this issue not be reargued in this proceeding.

Discussion

The limousine carriers' constitutional and preemption arguments advanced in this proceeding regarding the Commission's duties under the California Constitution, the implications of the Charter-Party Act, and the interpretation of Penal Code § 602.4 are the same as those advanced by limousine carriers and addressed by us in D.90675. In this proceeding, Independent points out that these statutes were enacted after City of Oakland was decided. However, we find no express or implied intent to overturn City of Oakland in these statutes. They are not applicable to the private roads of airport authorities.

Independent alleges that PU Code § 21690.5 preempts municipal regulation of limousines by its declaration of state concern over airports. We cannot agree. PU Code § 21690.5 was enacted to give airport authorities antitrust immunity to engage in limited or exclusive contracts which, without immunity, are found to restrain trade. (§ 21690.5, Historical Note.) This statute expressly gives airport authorities the authority to engage in such contracts when they deem it necessary. It does not remove municipal airport authorities as governing bodies over the airport's private roads.

Independent alleges that LAX regulation does not use limited or exclusive agreements as required in § 21690.5, but regulates all limousines, presumably violating Commission regulation of charter-party carriers under the Charter-Party Act. We reiterate that § 21690.5 applies to private airport roads, and Charter-Party Act applies to carrier operations on public roads.

Independent alleges that People v Levering (1981) 122 Cal. App. 3d Supp. 19, 176 Cal. Rptr. 297 is a situation parallel to that of LAX regulation. In Levering the City of El Segundo's ordinance requiring limousines to obtain a city license and pay a

license fee for each vehicle was struck down because it added new qualifications to obtain a permit and taxed carriers for the use of public streets. This ordinance violated PU Code § 1033 which is made applicable to charter-party carriers by § 5382. § 1033 prohibits city ordinances which conflict with Commission regulation. In Levering the court found a conflict with the Carrier-Party Act by the additional city permit qualifications and the additional city taxes for the use of public streets. This case is applicable to public streets. It does not address private roads of airport authorities.

We must reject Limousine Owners' new arguments that the City of Oakland findings that airport authorities have jurisdiction over their private roads has been overtuned or made moot by recent legislation or case law.

C. Courtesy Vans

During informal workshops, interested parties requested the Commission to exclude courtesy vans from any new regulatory proposals and to reconsider their present licensing requirements.

The issue whether courtesy vans provided by car rental agencies and hotels to carry passengers to and from airport terminals should be exempt from Commission regulation has been decided by the enactment of SB 1791. Effective January 1, 1989, PU Code § 5353 and Vehicle Code § 34507.6 exempt from certificate or permit requirements transportation provided by a hotel, motel, or other place of temporary lodging in owned or leased vehicles without charge, as specified, between an air, rail, water, or bus passenger terminal and the lodging facility, or between the lodging facility and a place of entertainment or commercial attraction, as specified.

These statutes require any operator which furnishes an exempt transportation service under these provisions in a bus to apply for and obtain from the CHP a carrier identification number and to display that number on the bus, as specified. Since, under

other provisions, a violation of this requirement would be a crime, the statutes impose a state-mandated local program.

The enactment of SB 1791 exempting courtesy vans from PU Code § 5353 makes this issue moot. Courtesy vans may no longer be regulated by this Commission.

D. Tariffs

TD does not recommend any changes in the Commission's requirement that tariffs be filed. However, TD believes that the Commission should ensure that the public has the information necessary to make informed choices in today's competitive markets. Public comments obtained by TD identified a need for the traveling public to understand the range of service alternatives, fares, schedules, and service limitations offered by carriers. Many customers are out-of-state visitors and/or infrequent users of services. They look to media advertising and airport, hotels, and travel agents for their information; the Commission's regulatory role is not readily apparent. TD proposes to require carriers to display complete tariff information in all vehicles to address these concerns. Tariffs can be published in brochure format but must specify a complaint procedure that includes the address and telephone number of the TD's Consumer Affairs Unit and be written in a manner that ensures their terms and conditions are easy to understand and apply.

Greyhound contends that the displaying of tariffs poses an insurmountable problem. It believes this requirement should be directed toward airport carriers, not longer distance carriers. Greyhound points out that its pricing data alone consists of at least 157 pages of printed material. Greyhound alleges that number can double at any time to a length of approximately 314 pages due to its policy of frequently offering its customers special reduced fares which are tied to fluctuating ridership factors and the fares of its competitors. The tariff expands to a total length of from 235 to 392 pages when Greyhound's 20-page baggage tariff, 20-page

package express tariff, 35-page charter tariff, and 3-page loss and damage tariff are added to the price tariff.

Greyhound does not believe that TD's objective of providing adequate information to the public will be defeated by exempting carriers such as Greyhound. Greyhound presently makes copies of its complete tariff data available to the public at its business office locations in Los Angeles and San Francisco. This data is available for public inspection any time during normal business hours. Greyhound makes tariff data available to the public at each of its 161 ticket locations throughout the state. The extent of this tariff data varies according to the size of the ticket location. In all cases all necessary tariff data is conveyed to the public as well as much that is superfluous because it is not related to the specific service in question.

In addition, Greyhound contends that it complies and will continue to comply with the Commission's GO 79 relating to tariff and timetable filing requirements which provides further public access to all necessary information relating to Greyhound's service.

Greyhound requests that an exemption to the tariff display requirement be included in Proposed GO 158 for "passenger stage corporations whose operations entail the utilization of 100 or more full-size buses and whose principal operations do not involve airport access service."

Johnson, Rose, and SFO agree that carriers such as Greyhound should be exempt from tariff display requirements.

FunBus contends that the tariff display requirement is unreasonable for any carrier. FunBus does not believe the public needs all tariff provisions displayed. FunBus points out that buses are often interchanged and that tariffs would constantly be changed causing confusion regarding the effective rates.

In response to this criticism, TD limited this section to vehicles serving the airport. However, Greyhound believes the requirement is still overbroad because, for example, it would apply to 35 schedules per day serving Oakland, San Jose, and San Francisco airports. Greyhound contends that this airport service occurs only as an adjunct to its regular route, intercity service, and traffic to and from the airports which is exclusively beyond the city limits in which the airports are located. .

Greyhound believed that TD's intent in revising proposed GO 158, § 8.04, may have been to make its provisions applicable only to the class of passenger stage operators exclusively engaged in dedicated airport access service and to exclude operators such as Greyhound whose airport service is incidental to its regular route, intercity service. Greyhound recommended that this intent could be accomplished by including the following language in 8.04:

"For purposes of this section, vehicles serving airports as part of through intercity service shall not be deemed carriers serving an airport and shall be exempt from the posting requirements contained herein."

#### Discussion

Greyhound contends that this revision is burdensome requiring that vehicles serving airports carry 35 separate schedules, including baggage, package express, charter and lost damage tariffs. We agree that such a requirement is burdensome. The intent of TD's proposed tariff posting requirements is to inform the public of available airport service. We believe nationwide passenger carriers such as Greyhound achieve this objective through media marketing and advertising and local ticket offices with a main goal of providing such information. Therefore, it is not necessary to supplement the present Greyhound telephone ticket information with individual vehicle tariff display. We shall adopt Greyhound's amendment to § 8.04 as proposed.

## IX. Miscellaneous Provisions

### A. Equipment Statements

TD's proposed GOs both require that every carrier maintain on file with the Commission an equipment list of all vehicles (owned or leased) in use under each certificate and permit. The information required for each vehicle is the manufacturer, model, year, VIN, seating capacity, description, license plate number, and whether the vehicle is owned or leased. Additions and deletions to this list are required to be filed immediately after the vehicle entered or ended service.

Johnson alleges that the exclusion of vehicles on short-term leases, that is, less than 30 days, is a principal failure of recording carrier equipment which will invite bad faith evasion of this requirement. In Johnson's opinion, a series of 29-day leases with automatic renewals is a way to evade this requirement and has already been used by one unnamed carrier. Johnson recommends that any vehicle leased for any time period be required to be included on this list. Johnson also recommended that the time for filing additions or deletions be specified.

In its reply comments, TD adopted a 10-day filing period for changes to the required equipment list and required that all equipment, owned or leased, be included in this equipment list.

TD's changes in the proposed GOs appropriately clarify that the time for filing changes to the equipment list is ten days after the change occurs. The revisions prevent evasion of § 4.01 in both GOs by requiring that all leases be filed. An accurate, up-to-date equipment list is needed for enforcement purposes to identify vehicles. We adopt these sections as revised by TD.

### B. Vehicle Inspection

TD's proposed GOs require that all vehicles operated under passenger stage and charter-party certificates meet the requirements of the CHP and Motor Carrier Safety Act. Johnson

alleges that this requirement does not include new vehicles regulated by Vehicle Code §§ 34505 and 34505.1 which address tour buses.

In its reply comments, TD added language to both GOs requiring the carrier to inspect all vehicles and maintain proper documentation of these inspections.

TD's amendment to the GOs clarifies that all vehicles must meet specific CHP standards. No party objected to this requirement. We will adopt this section as amended by TD.

C. Renewal of Authority

Under TD's proposed GO for charter-party carriers, carriers are required to file renewal applications at least three months prior to the annual expiration date of the certificate or permit.

Johnson and Antelope Valley Bus, Inc. request that language be added to specify that the Commission should mail a notice and renewal application to carriers of record at least four months or four and one-half months prior to the expiration date of the certificate or permit. Johnson points out that language in a subsequent GO section implies carrier authority is subject to denial, suspension, or lapse if this requirement is not met. Johnson voices concern that the proposed GO does not take into consideration renewal delays which may not be the carrier's fault. Johnson alleges that the process of renewal, which includes vehicle inspection and driver screening, is not under the carrier's control and may not be completed to meet the renewal deadline through no fault of the carrier. Johnson does not anticipate delays in the Commission's processing of renewals.

Johnson points out that CBA members and the Commission TD favor certificates that are "good until suspended or revoked." Johnson believes this approach works well only for Classes A and B carriers but permit holders should renew annually to verify their status and current payment of PUTRA fees. In Johnson's opinion,

annual renewal of permits is justified due to lack of contact with the Commission, CHP, or DMV. Johnson believes authority should be valid for three years as an initial change with future amendments for "good until canceled" authority.

On July 8, 1988, Senate Bill (SB) 2114 was signed by the Governor to become effective January 1, 1989. SB 2114 revises PU Code §§ 5371, 5371.1, 5374, and 5376, adds PU Code § 5387, and repeals PU Code § 5373. SB 2114 resolves the debate herein on whether charter-party renewal should be annual or for three years. The bill provides for the issuance of charter-party certificates and permits for three years, unless suspended or revoked, and makes other related changes. The bill directs the Commission to report to the Legislature by January 1, 1992 on its experiences with three-year certificates and permits together with recommendations on returning to annual renewal and on issuing authority which is valid indefinitely until revoked.

TD's proposed GO does not specify a certification period but does require that renewal applications be submitted three months prior to the expiration date. Even under this new three-year period, we believe it is appropriate for charter-party carriers to file renewal applications at least three months in advance to allow ample time for our processing. However, it is a carrier's responsibility to maintain a current, valid certificate. We do not believe it is TD's responsibility to remind carriers to renew their certificates by mailing an application four months before certification as one party requested.

Therefore, we will direct TD to make renewal applications continually available for carriers in all Commission transportation offices. We also direct TD to respond expeditiously to carrier requests that renewal applications be mailed. We encourage carriers to begin renewal well before the three-month period so that unforeseen delays in inspections and other requirements do not delay Commission renewal. Carriers experiencing unforeseen delays



may notify the TD of these difficulties. The TD may use its discretion to verify that such delays warrant interim Commission action.

D. Sub-carrier Agreements

TD's proposed GOs contain a requirement that carriers not use the services of a second carrier unless the second carrier has charter-party authority. The agreement between the two carriers must be evidenced by a written contract.

Johnson criticizes this requirement as being impractical. Johnson points out that charter-party arrangements are made by telephone or radio, that is, an oral contract. Johnson recommends that a written memorandum or log that memorializes the oral agreement should meet enforcement needs of the Commission.

It is a common practice for a passenger stage or charter-party carrier to hire a second carrier to accommodate an unexpected capacity overflow. Sub-carrier requirements are needed to assure that these second carriers are properly licensed. Parties do not object to the requirement of having an agreement; they object to the form of the agreement proposed by the TD.

In its reply comments, TD replaced the language requiring a written contract with language requiring a written document containing the names of the carriers, certificate numbers, and services to be provided.

We agree that TD's modification of document requirements strikes the proper balance between our need for licensing information and the carrier's desire for reasonable regulation. We adopt TD's modified sub-carrier agreement requirement, namely, that a document to verify an oral contract will suffice where a written contract does not exist. (GO 157, § 3.04 and GO 158, § 3.03.)

E. Advertisements

TD's proposed GO 157, § 3.07 and GO 158, § 3.05 requires that every written or oral advertisement by a charter-party carrier must state its permit number.

Limousine Owners asserts that "written and oral advertisement" needs clarification. Limousine Owners asks whether "written advertisement" includes company letterhead, envelopes, invoices, and business cards, as well as the obvious advertisement in brochures and yellow pages. LADOT asks what are written and oral advertisements?

We agree that TD's requirement for advertising is needed to assure that only licensed carriers engage in advertising. Written advertising encompasses published information either through the news media or in written form distributed to the public. This definition would not include company business records or correspondence where advertising is not intended. However, this definition would generally include letterhead, business cards, pre-printed envelopes, and invoices. Oral advertising includes media communication of services, such as radio and television announcements. We shall clarify this phrase to be consistent with existing statutes (PU Code § 1034.5):

"ADVERTISEMENTS SHALL INCLUDE TCP (or PSC) NUMBER. Carriers shall state the number of their permit (or certificate) in every written or oral advertisement, broadcast, or other holding out to the public for services. The number shall be preceded by the letters 'TCP' (or 'PSC')." (GO 157, § 3.07 and GO 158, § 3.05.)

#### F. Records

TD's proposed GOs require that carriers maintain service records, including points served and fares charged, for three years.

Johnson suggests that the three-year retention period is excessive and should be reduced to one year. Johnson requests that the language of "points served and fares charged" be changed to be more applicable to charter-party service.

In its reply comments, TD deleted the requirement that records of "points served and fares charged" must be retained. We

believe this deletion is appropriate since Commission filed tariffs will indicate service points and respective fares.

We do not agree with Johnson that our GOs can provide that DMV and CHP shall have the same level of access to carrier's books and records as this Commission. GO 66-C does not address the disclosure of carrier records to other government agencies. Nor does PU Code § 583, upon which GO 66-C is based. Based upon this lack of statutory authority, we decline to release carrier records in our custody to DMV or the CHP.

G. Vehicle Displays

TD's GOs require that the name or trade name of the carrier be painted or displayed on each side of each vehicle, an identifying number be permanently attached to the rear and each exterior side of the vehicle, and that the name and numbers be readable at a distance of 50 feet. TD excludes from the trade name requirement vehicles temporarily leased for less than 30 days and TCP vehicles designed to carry not more than eight persons including the driver.

Limousine Owners assert that vehicles carrying 15 passengers or less with charter prearranged authority should be exempt from this requirement. Limousine Owners assert that these clients, like limousine and sedan clients, expect and deserve vehicles void of such markings. Limousine Owners believe the required windshield identification and rear bumper charter-party numbers adequately allow such vehicles to be identified.

TD's eight-person vehicle exemption is intended to exclude limousines from displaying a trade name on the side of vehicles. Limousine Owners request that this exemption be extended to 15-passenger vehicles and less. Limousine Owners is correct in its observation that the passenger size of limousines can exceed eight passengers in the new "stretch" limousines, making this definition of limousine by passenger capacity in proposed GO 157

already outdated. We are also aware that chartered vans are being modified for exclusive use service like limousines.

We see no adverse effects on enforcement by extending the eight-passenger exemption exclusion for exclusive use limousine service to 15-passenger vehicles being used for similar service. These 15-passenger vehicles will be required to display licensing identification on front and rear bumpers and windshields. Therefore, we will modify TD's proposed exception in GO 157, §§ 4.03 and 4.04 as follows:

"4.03. - NAME OF CARRIER AND VEHICLE NUMBER TO BE DISPLAYED ON VEHICLE. A vehicle shall not be operated in service unless there is painted or displayed, on each side of the vehicle, the name or trade name of the carrier. Every carrier shall assign an identifying number to each vehicle. Such number shall be painted on or otherwise permanently attached to the rear and each side of the exterior of each vehicle. The carrier's name and vehicle numbers shall be sufficiently large and color contrasted as to be readable, during daylight hours, at a distance of 50 feet. However, the provisions of this section shall not apply to vehicles temporarily leased by carriers for a period of less than thirty days or to vehicles designed to carry not more than fifteen persons, including the driver.

"4.04 - TCP NUMBER TO BE DISPLAYED ON VEHICLE. The number assigned by the Commission to the carrier's authority shall be shown in full on all charter-party vehicles, including the prefix 'TCP,' the authority number, and the authority suffix 'A,' 'B,' 'P,' and/or 'S' (which designate Class 'A' certificate, Class 'B' certificate, permit, or sightseeing permit, respectively). The letter and numeral symbol size and placement shall be as follows:

"The identification symbol shall be in sharp color contrast to the background and such size and shape and so located as to be readily legible during daylight hours at a distance of 50 feet. The symbols shall be displayed on each side of the vehicle, except vehicles

designed to carry not more than fifteen persons, including driver, which shall display the Commission issued decal and identification symbol on the front and rear bumpers.

"The identifying symbols displayed by a carrier subject to the jurisdiction of the Interstate Commerce Commission (ICC) shall serve in lieu of the above requirements, provided such ICC operating authority is registered with this Commission in accordance with the Interstate and Foreign Highway Carrier's Act (commencing with PU Code Section 3901)."

X. Accessibility to Services by the Handicapped

The Marin Paratransit Coordinating Council (MPCC) was the only party to address the issue of accessibility of airport service to the handicapped. MPCC requested that carriers serving airports statewide be required to provide services which are accessible to passengers with mobility disabilities at a cost comparable to that charged to the general public. MPCC interprets Civil Code § 54.1 as including a mandate for these services. MPCC alleges that no such services are available in the state.

According to MPCC, a recent national study performed by Lou Harris indicates that approximately 15% of the total national population is disabled. Of this total, 9-10% are mobility impaired, increasing 3% annually. These statistics make it imperative that airport services be provided. The Harris study indicates that nationally only 3% of the disabled population is employed. MPCC asserts that this percentage will not increase without access to public transit services. In addition, MPCC presented a recent study of paratransit services in Marin County.

We take official notice that MPCC has presented these studies and oral testimony in our investigation of Santa Rosa and Marin Airporter services, Order Instituting Investigation (I.) 88-06-020.

In 1985, MPCC's request that Civil Code § 54.1 be interpreted as mandating handicapped accessible services was denied. (D.83-06-084, as modified by D.83-09-063.) However, no public need for such service was shown. Although we cannot now agree that Civil Code § 54.1 mandates handicapped accessible service, we again have allegations of a need for this service by members of the public. In this proceeding and in I.88-06-020, MPCC has presented testimony and evidence that no such service exists in Marin County. No party in that investigation presented evidence to the contrary. Respondents in this proceeding have not addressed these allegations as they apply to their respective service areas, nor has TD. Therefore, we do not know the extent of this service deficiency. We are concerned that these allegations may be true on a statewide basis. Yet the remedy suggested may have an adverse economic impact on carriers and customers. Therefore, we cannot make any findings on this issue in this proceeding. We order TD to conduct a statewide survey to ascertain what airport services are accessible to the handicapped, what remedies are available and recommended, and what would be the economic impact of any recommendations on carriers and customers. Within 270 days after the effective date of this order, this survey and recommendations should be submitted to the Executive Director and mailed to respondents in this proceeding.

TD's survey and report should address at least the following areas of concern:

1. What handicapped accessible airport services are available in a respondent carrier's service area.
2. Whether there is a public need for such service, if it does not exist; or, whether there is a need for additional service, if it does exist.
3. The type and extent of such services needed.

4. The costs and cost impact on carriers of:
  - a. Retrofitting existing buses.
  - b. Retrofitting existing vans.
  - c. Purchase of new buses with handicapped accessibility.
  - d. Purchase of new vans with handicapped accessibility.
5. The cost and cost impact on carrier rates of each category of Item 4.

After receipt of this report, the Commission shall determine if an investigation of these issues is necessary.

#### XI. Procedural Changes

In order to effectively implement the proposed GOs for passenger carriers, TD proposes certain procedural changes. TD recommends that intrastate passenger carriers be excluded from the abandonment documentation requirements contained in the Commission's Rules of Practice and Procedure Rule 15(f).<sup>2</sup> TD requests strict interpretation of Rule 8.4(c), the facts a protestant would develop at a public hearing in an application proceeding. TD recommends that certain complaints should be expedited.

Rule 15(e) requires that in addition to complying with all other parts of Rule 15, a carrier requesting authority to abandon passenger stage service or reduce service to less than one trip per day (excluding Saturday and Sunday) must file 11 specific exhibits with its application. In TD's experience, this

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<sup>2</sup> Subsequently relettered 15(e) by D.87-04-072 on April 22, 1987.

requirement is burdensome for scheduled carriers operating solely intrastate. TD explains that the existing filing requirement was instituted in response to the Federal Bus Regulatory Act. (Resolution No. PE-452, February 2, 1983.) According to TD, this Act greatly limited the time in which the Commission could review and act on abandonment applications by interstate companies regulated by the Interstate Commerce Commission (ICC). TD continues to find the requirement necessary for ICC carriers, but not for solely Commission-regulated carriers operating airport access and home-to-work services, for example. Such carriers operate in competitive environments and TD has rarely opposed their abandonment requests. TD proposes that intrastate carriers be excluded from this requirement in Rule 15(e), yet the Commission retain all rights to investigate and deny requests for route abandonment on a case-by-case basis.

TD's requested amendment to Rule 15(e) was included in its February 1988 report which was attached to the order in this rulemaking. The order was mailed to respondents in March 1988. This issue was discussed in workshops preceding the issuance of this OIR. No party opposed this request. This request is one to update our rules regarding passenger stage service which is one of our primary goals in ordering this rulemaking proceeding. Our Rules of Procedure should not be an exception to this task. Since the information required by Rule 15(e) is seldom needed or relied upon in intrastate service abandonment proceedings, it is reasonable to exclude such carriers from this requirement solely. We shall add the following additional language to Rule 15(e) to exclude intrastate carriers:

"15. (Rule 15) Contents...(e) In addition to otherwise complying with these rules, each application for authority to abandon passenger stage service, or reduce service to less than one trip per day (excluding Saturday and Sunday) shall include the following exhibits (carriers operating solely intrastate are excluded from this requirement): ..."



TD's recommendation for strict interpretation of Rule 8.4(c) is based upon the consistently filed objections of some competing carriers and a taxicab regulatory agency to all service requests affecting their service territory. TD indicates that these parties routinely use the Commission's public need and adequacy of existing service requirements to force applicants and Commission personnel to undergo lengthy and expensive administrative hearings. We believe this problem has been alleviated by our recent dismissal of such protests in D.88-10-026 and D.88-08-011.

Findings of Fact

1. As of February 1988, the Commission had 170 licensed PSCs and 1,670 TCPs in good standing. Equipment operated by these carriers ranges from small sedans, limousines, and vans, to large buses.

2. Tremendous growth in airline travel and related ground transportation have occurred since airline deregulation in 1978. Competition due to this passenger growth has resulted in an increase in applications for new carrier authority, requests for service changes, and competitor complaints.

3. Overlapping problems of solicitation, illegal operations, and carriers operating outside authority are occurring at the state's major airports. In addition, traffic congestion is continually increasing at major airports due to the increase in the number of carriers serving air passengers.

4. The increase in passenger stage and charter-party carriers at airports is a natural and proper response to the increase in air passengers needing transportation to and from airports.

5. Defining on-call passenger stage service as "prearranged" requires the public to prearrange departures from the airport which is impractical.

6. Defining on-call passenger stage service as "prearranged" to prevent solicitation is unnecessary. Solicitation is already defined by numerous airport authority regulations.

7. Broadly defined on-call passenger stage service allows for innovative new services to be developed to meet public demand.

8. Solicitation should be defined and regulated by airport authorities.

9. Any Commission definitions of solicitation may conflict with airport regulation addressing the same issue.

10. Under the present congested conditions at major airports, it is a breach of the public interest for carriers to continually violate airport regulations intended to ease these conditions.

11. Parties agreed that fitness to operate and safety standards should not be sacrificed in an industry that carries millions of passengers per year. The high number of trips with short turn-around times means drivers must be qualified and the maintenance of vehicles is crucial for public safety.

12. DMV and CHP standards for drivers and equipment are the appropriate safety standards for passenger stage and charter-party carriers.

13. The cause of airport traffic congestion is the significant increase in the numbers of airline passengers.

14. Limiting the number of carriers to reduce traffic congestion may cause insufficient transportation services at a time when increased service is needed the most.

15. The basic distinction between charter-party carriers and passenger stage carriers is that the latter are common carriers operating individual fare service under approved tariffs.

16. Charter-party service by its nature of providing service to groups traveling from varied departure points to varied destinations must be prearranged.

17. Parties agree that increased enforcement is needed to remove unlawful carriers from service.

18. Waybills including the name of the carrier, TCP number, vehicle license plate number, driver's name, identity of person hiring the charter, number of persons in the charter group, and points of origination and destination should be maintained by a driver in order to enable enforcement personnel to verify that service is lawful.

19. On the waybill, vehicles may be identified by the license plate number.

20. Customers' requests for privacy can be honored by the carrier and driver by keeping the customer's name confidential. However, Commission personnel charged with the duty to enforce Commission regulation should have access to all information contained in the waybill upon request.

21. Charter-party carriers are included in this proceeding to resolve all carrier problems occurring at airports. Resolution of these problems mandates revisions in both passenger stage and charter-party regulations.

22. Out-of-state visitors, infrequent travelers, and the general public need tariff and schedule information to make informed decisions regarding the choices in transportation services.

23. The public needs carrier information in order to complain about unreasonable and unlawful services.

24. Public display and the publishing of fares, schedules, service limitations, and complaint procedures will achieve the goal of allowing the public to make informed transportation decisions.

25. It would be burdensome to require carriers incidentally serving airports to meet proposed publishing and display regulations.

26. TD revised its proposed rule on vehicle inspection to meet specific CHP standards.

27. The comments in this proceeding do not conclusively indicate the extent of transportation services accessible to the handicapped throughout the state.

28. On October 21 and 23 and November 5, 1988, TD conducted workshops with parties in this rulemaking. All parties were notified of the workshops. TD's revision to Rule 15(e) was discussed in the workshops.

29. Oral and written comments on the issue of Rule 15(e) revisions were accepted. No party objected to TD's revision.

30. The requirement in Rule 15(e) that solely intrastate carriers include specified exhibits with abandonment applications is no longer needed.

31. Appendix C contains the proposed revised Rule 15(e) of the Commission's Rules of Practice and Procedure.

#### Conclusions of Law

1. PU Code § 21690.5 does not address private airport roadways.

2. PU Code § 5382 makes passenger stage rules contained in PU Code §§ 1033 applicable to charter-party carriers, but § 1033 does not apply to private airport roadways.

3. SB 1791 exempts courtesy vans from PU Code § 5353 making moot the argument in this proceeding.

4. SB 2114 extends charter-party certificates from one year to three years. The related revisions in PU Code §§ 5371, 5371.1, 5374, 5376, and 5387 resolve the arguments on this issue in this proceeding.

5. Inspection of the waybill by airport enforcement personnel does not violate GO 66-C.

6. The proposed GOs 157 and 158 as herein amended are reasonable and it is in the public interest to adopt them.

7. The Executive Director should transmit the proposed new Rule 15(e) to the Office of Administrative Law for publication.

8. Comments on proposed Rule 15(e) should be solicited from parties to this proceeding.

9. This docket should be held open to adopt proposed Rule 15(e).

O R D E R

IT IS ORDERED that:

1. General Orders (GOs) 79 and 98-A are cancelled.

2. GOs 157 and 158 which are contained in Appendixes A and B, respectively, are adopted.

3. Transportation Division (TD) shall make available in all TD offices copies of carrier renewal applications and shall promptly respond to carrier requests that such applications be mailed.

4. TD is directed to conduct the survey discussed herein of statewide availability of transportation services accessible to the handicapped to and from major airports. Within 270 days after the effective date of this order, TD shall submit to the Executive Director a report including recommendations regarding this issue. A copy of this TD report shall be mailed to all parties in this proceeding. After receipt of this report, the Commission will determine if an investigation is necessary.

5. Parties who wish to file written comments on the proposed Rule 15(e) shall file an original and 12 copies with the Docket Office within 30 days of the effective date of this order and shall separately serve copies on the assigned administrative law judge and the staff attorney.

6. The Executive Director, in coordination with the Administrative Law Judge Division, shall transmit a copy of this order to the Office of Administrative Law in accordance with any applicable provisions of the Government Code.

This order becomes effective 30 days from today.

Dated OCT 12 1989, at San Francisco, California.

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

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

- 52 -

*Wesley Franklin*  
WESLEY FRANKLIN, Acting Executive Director

*AB*

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GENERAL ORDER 157  
(Cancels and supersedes General Order  
98-A as applicable to Charter-Party  
Carriers of Passengers)

PUBLIC UTILITIES COMMISSION OF THE  
STATE OF CALIFORNIA

RULES AND REGULATIONS GOVERNING THE OPERATIONS OF CHARTER-PARTY  
CARRIERS OF PASSENGERS PURSUANT TO CHAPTER 8 (BEGINNING AT  
SECTION 5351) OF THE PUBLIC UTILITIES CODE

Adopted OCT 12 1989 Effective NOV 11 1989  
Decision 89 10 028 in R.88-03-012.

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PART 1 - GENERAL PROVISIONS

- 1.01 - SHORT TITLE. These rules and regulations shall be known as "General Order 157".
- 1.02 - REFERENCES TO STATUTES AND RULES AND REGULATIONS. Whenever reference is made to any portion of any law, such reference shall apply to all amendments and additions heretofore or hereafter made; and whenever reference is made to any portion of these rules and regulations, such reference shall apply to all amendments and additions hereafter made.
- 1.03 - CONSTRUCTION OF SINGULAR AND PLURAL. The singular number includes the plural, and the plural the singular.
- 1.04 - "SHALL" and "MAY". "Shall" is mandatory and "may" is permissive.
- 1.05 - LIABILITY INSURANCE REQUIREMENTS. Every charter-party carrier shall comply with all provisions of General Order Series 115.
- 1.06 - APPLICABILITY OF VEHICLE CODE. Every charter-party carrier and their drivers shall comply with the provisions of the California Vehicle Code.
- 1.07 - COMMISSION MAY ORDER DEVIATIONS. The Commission may authorize deviations from these rules and regulations or prescribe or require the observance of additional or different rules by special order.
- 1.08 - AVAILABILITY OF GENERAL ORDER 157, VEHICLE CODE, AND TITLE 13. Every charter-party carrier shall have a copy of General Order 157 and a current copy of the California Vehicle Code and the Motor Carrier Safety Sections (Subchapter 4, Article 12 and 14, and Subchapter 6.5, Articles 1, 3, 6, and 8) of Title 13 of the California Administrative Code in a place available to all drivers.

PART 2 - DEFINITIONS

- 2.01 - "COMMISSION". "Commission" means the Public Utilities Commission of the State of California.

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- 2.02 - "CHARTER-PARTY CARRIER OF PASSENGERS", "TCP", "CARRIER". The definition of "Charter-Party Carrier of Passengers" shall be that set forth in Sections 5351-5360 of the Public Utilities Code. The initials "TCP" mean "Transportation Charter-Party". Within this General Order the word "carrier" means charter-party carrier of passengers.
- 2.03 - "CHARTER PARTY-VEHICLE", "VEHICLE". "Charter-party vehicle" is a motor vehicle used in charter-party service. Within this General Order the word "vehicle" means charter-party vehicle.

PART 3 - GENERAL REQUIREMENTS AND RESTRICTIONS

- 3.01 - PREARRANGED TRANSPORTATION. Class A and Class B charter-party carriers, as defined in Public Utilities Code Section 5383, and carriers holding permits under Public Utilities Code Section 5384(b) shall provide transportation only on a prearranged basis. The party arranging the transportation shall have exclusive use of the vehicle. The driver shall possess a waybill which includes the following:

1. Name of carrier and TCP number.
2. Vehicle license plate number.
3. Driver's name.
4. Name and address of person requesting or arranging the charter.
5. Time and date when charter was arranged.
6. Number of persons in the charter group.
7. Points of origination and destination.

Upon request, the driver shall show the waybill to any Commission or airport enforcement officer.

- 3.02 - OPERATIONS AT AIRPORTS. No carrier shall conduct any operations on the property of or into any airport unless such operations are authorized by both this Commission and the airport authority involved. Consistent failure to comply with safety or traffic rules and regulations of an airport authority may result in suspension or revocation of Commission operating authority.
- 3.03 - TAXI TRANSPORTATION SERVICE NOT AUTHORIZED. A carrier is not authorized to engage in taxicab transportation service licensed and regulated by a city or county. Carriers are

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prohibited from using vehicles which have top lights and/or taxi meters.

- 3.04 - SUB-CARRIERS. A carrier shall not use the services of another carrier (sub-carrier) that provides the vehicle and the driver, unless the second carrier holds Commission authority as a charter-party carrier. The agreement for the utilization of the second carrier's vehicle(s) and driver(s) by the operating carrier shall be evidenced by a written document, and shall contain the carrier's names, TCP numbers, and the services to be provided.
- 3.05 - RENEWAL OF AUTHORITY. Each carrier shall be responsible for filing renewal applications at least three months prior to the expiration date of the certificate or permit.
- 3.06 - FICTITIOUS NAMES. A carrier shall not use any trade, business, or fictitious names, which are not on file with the Commission.
- 3.07 - ADVERTISEMENTS SHALL INCLUDE TCP NUMBER. Carriers shall state the number of their certificate or permit in every written or oral advertisement, broadcast, or other holding out to the public for services. The number shall include the prefix "TCP", and the suffix "A", "B", "S", and/or "P" (Class "A" certificate, Class "B" certificate, round-trip sightseeing permit, and charter-party permit, respectively) which identify the authority or authorities under which transportation service will be provided (Public Utilities Code Section 5386).

PART 4 - VEHICLES

- 4.01 - EQUIPMENT STATEMENT TO BE CURRENT. Every carrier shall maintain, on file with the Commission, an equipment list of all vehicles (owned or leased) in use under each certificate and permit. The information for each vehicle shall include the manufacturer, model year, vehicle identification number (V.I.N.), seating capacity (including driver), description of body type or model designation, whether the vehicle is leased or owned, and its license plate number. Additions and deletions to the equipment list shall be filed within ten days of the date the vehicle is put into or pulled out of service.

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- 4.02 - SAFETY REQUIREMENT BEFORE OPERATION. All vehicles operated under each certificate or permit shall comply with the requirements of the California Highway Patrol and the Motor Carrier Safety Sections of Title 13 of the California Administrative Code. Every carrier must inspect all vehicles and maintain proper documentation of such inspections.
- 4.03 - NAME OF CARRIER AND VEHICLE NUMBER TO BE DISPLAYED ON VEHICLE. A vehicle shall not be operated in service unless there is painted or displayed, on each side of the vehicle, the name or trade name of the carrier. Every carrier shall assign an identifying number to each vehicle. Such number shall be painted on or otherwise permanently attached to the rear and each side of the exterior of each vehicle. The carrier's name and vehicle numbers shall be sufficiently large and color contrasted as to be readable, during daylight hours, at a distance of 50 feet. However, the provisions of this section shall not apply to vehicles temporarily leased by carriers for a period of less than 30 days or to vehicles designed to carry not more than 15 persons, including the driver.
- 4.04 - TCP NUMBER TO BE DISPLAYED ON VEHICLE. The number assigned by the Commission to the carrier's authority shall be shown in full on all charter-party vehicles, including the prefix "TCP", the authority number, and the authority suffix "A", "B", "P", and/or "S" (which designate Class "A" certificate, Class "B" certificate, permit, or sightseeing permit, respectively). The letter and numeral symbol size and placement shall be as follows:

The identification symbol shall be in sharp color contrast to the background and such size and shape and so located as to be readily legible during daylight hours at a distance of 50 feet. The symbols shall be displayed on each side of the vehicle, except vehicles designed to carry not more than 15 persons, including driver, which shall display the Commission-issued decal and identification symbol on the front and rear bumpers.

The identifying symbol displayed by a carrier subject to the jurisdiction of the Interstate Commerce Commission (ICC) shall serve in lieu of the above requirements, provided such ICC operating authority is registered with this Commission in accordance with the Interstate and Foreign Highway Carrier's Act (commencing with PU Code Section 3901).

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- 4.05 - DECALS TO BE DISPLAYED. Any decals issued by the Commission shall be affixed to the lower right hand corner of the vehicle's windshield.
- 4.06 - DAMAGE TO IDENTIFICATION SYMBOLS. It shall be the carrier's responsibility to make immediate restoration or replacement of any damage caused to the identification names and numbers on vehicles.
- 4.07 - ILLEGAL DISPLAY OF P.U.C. IDENTIFICATION. Immediately upon revocation or termination of any permit or certificate the TCP number for the permit or certificate shall be removed from all vehicles. If new operating authority is later granted, it shall be the responsibility of the carrier to make the appropriate identification.
- 4.08 - UNAUTHORIZED USE OF OPERATING AUTHORITY. A carrier shall not knowingly permit its operating authority or its TCP number(s) to be used by others.
- 4.09 - SALE OR TRANSFER OF VEHICLE. It shall be the carrier's responsibility to remove all certificate or permit numbers and identification symbols when a vehicle is sold or transferred.

PART 5 - DRIVERS

- 5.01 - DRIVER TO BE LICENSED. Every driver of a charter-party vehicle shall be licensed as required under the California Vehicle Code and shall comply with the driver provisions of the Motor Carrier Safety Sections of Title 13 of the California Administrative Code.
- 5.02 - DRIVER RECORD. Every carrier shall enroll in the "Pull Notice Program" of the Department of Motor Vehicles as defined in Vehicle Code Section 1808.1. A charter-party vehicle shall not be operated by any driver who is presumed to be a negligent operator under Vehicle Code Section 12810.5.
- 5.03 - DRIVER STATUS. Every driver of a vehicle shall be the permit/certificate holder or under the complete supervision, direction and control of the operating carrier and shall be:

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- A. An employee of the permit/certificate holder; or,
- B. An employee of a sub-carrier; or,
- C. An independent owner-driver who holds Commission authority and is operating as a sub-carrier.

5.04 - ALCOHOLIC BEVERAGES AND DRUGS: USE BY DRIVER FORBIDDEN. All drivers shall comply with the rules in the Code of Federal Regulations Part 49, Sections 392.4 and 392.5. This rule, in part, prohibits drivers from consuming or being under the influence of a drug or alcoholic beverage while on duty, and prohibits carriers from allowing drivers to consume or be under the influence of a drug or alcoholic beverage while on duty.

PART 6 - RECORDS AND INSPECTIONS

- 6.01 - CHARTER-PARTY RECORDS. Every carrier shall institute and maintain in its offices, a set of records which reflect information as to the services performed, including waybills, as described in Section 3.01. Every carrier shall also maintain copies of all lease and sub-carrier agreements, and shall maintain maintenance and safety records (including, but not limited to, the records required in Sections 4.01 and 4.02), driver records (including, but not limited to, the records required in Section 5.02), and consumer complaint records (including, but not limited to, the records required in Section 7.01). Such records shall be maintained for a minimum period of three years.
- 6.02 - INSPECTIONS. The duly authorized representatives of this Commission shall have the right at all times and shall be allowed to enter into any vehicle or facility for the purpose of inspecting the accounts, books, papers, and documents and for ascertaining whether or not these rules are being complied with and observed. Every owner, operator, or driver of any vehicle shall afford the duly authorized representatives of this Commission all reasonable opportunity and facilities to make such an inspection.

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PART 7 - COMPLAINTS

- 7.01 - CARRIER REQUIRED TO ANSWER COMPLAINTS. Every carrier shall respond within 15 days to any written complaint concerning transportation service provided or arranged by the carrier. A carrier shall, within 15 days, respond to Commission staff inquiries regarding complaints and provide copies of any requested correspondence and records.

PART 8 - EXEMPTIONS

- 8.01 - BY WRITTEN REQUEST. If, in a particular case, exemption from any of these rules and regulations is desired, a written request may be made to the Commission for such exemption. Such a request shall be accompanied by a full statement of the conditions existing and the reasons relied on to justify the exemption. It is to be understood that any exemption so granted shall be limited to the particular case covered by the request.

Approved and dated OCT 12 1989, at San Francisco, California.

PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA



By Wesley Franklin  
Acting Executive Director

(END OF APPENDIX A)

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GENERAL ORDER 158  
(Cancels and supersedes General Orders  
98-A and 79 as applicable to  
Passenger Stage Corporations)

PUBLIC UTILITIES COMMISSION OF THE  
STATE OF CALIFORNIA

RULES AND REGULATIONS GOVERNING THE OPERATIONS OF PASSENGER STAGE  
CORPORATIONS AND THE CONSTRUCTION AND FILING OF TARIFFS  
AND TIMETABLES

Adopted OCT 12 1989 Effective NOV 11 1989  
Decision 89 10 028 in R.88-03-012.

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PART 1 - GENERAL PROVISIONS

- 1.01 - SHORT TITLE. These rules and regulations shall be known as "General Order 158".
- 1.02 - REFERENCES TO STATUTES AND RULES AND REGULATIONS. For convenience, reference to some of the principal pertinent provisions of the Public Utilities Code are Sections 1031-1040 "Passenger Stage Corporations" and Sections 486-496 "Tariff Schedules". Whenever reference is made to any portion of any law, such reference shall apply to all amendments and additions heretofore or hereafter made; and whenever reference is made to any portion of these rules and regulations, such reference shall apply to all amendments and additions hereafter made.
- 1.03 - CONSTRUCTION OF SINGULAR AND PLURAL. The singular number includes the plural, and the plural the singular.
- 1.04 - "SHALL" and "MAY". "Shall" is mandatory and "may" is permissive.
- 1.05 - LIABILITY INSURANCE REQUIREMENTS. Every passenger stage corporation shall comply with all provisions of General Order 101 Series.
- 1.06 - APPLICABILITY OF VEHICLE CODE. Every passenger stage corporation and their drivers shall comply with the provisions of the California Vehicle Code.
- 1.07 - COMMISSION MAY ORDER DEVIATIONS. The Commission may authorize deviations from these rules and regulations or prescribe or require the observance of additional or different rules by special order.

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- 1.08 - AVAILABILITY OF GENERAL ORDER 158, VEHICLE CODE, AND TITLE 13. Every passenger stage corporation shall have a copy of General Order 158 and a current copy of the California Vehicle Code and the Motor Carrier Safety Sections (Subchapter 4, Articles 12 and 14, and Subchapter 6.5, Articles 1, 3, 6, and 8) of Title 13 of the California Administrative Code in a place available to all drivers.
- 1.09 - EFFECTIVE DATE AND APPLICATION OF TARIFFS AND TIMETABLES. Original tariffs and timetables filed prior to the effective date of this General Order shall be revised or reissued in conformity with the rules herein established within 90 days of the effective date of this General Order.

PART 2 - DEFINITIONS

- 2.01 - "COMMISSION". "Commission" means the Public Utilities Commission of the State of California.
- 2.02 - "PASSENGER STAGE CORPORATION", "PSC", "CARRIER". The definition of "passenger stage corporation" shall be that set forth in Section 226 of the Public Utilities Code. The initials "PSC" mean passenger stage corporation. Within this General Order the word "carrier" means passenger stage corporation carrier unless specific reference includes charter-party carriers.
- 2.03 - "VEHICLE". Within this General Order the word "vehicle" means a motor vehicle operated in passenger stage service.
- 2.04 - "TARIFF", "TIMETABLE". The definition of "tariff" and "timetable" means an original publication, a supplement, amendment, or revised page thereto, or a reissue thereof.
- 2.05 - "SCHEDULED SERVICE". Within this General Order the term "scheduled service" means service to be provided to specific places at specific times.

PART 3 - GENERAL REQUIREMENTS AND RESTRICTIONS

- 3.01 - OPERATIONS AT AIRPORTS. No carrier shall conduct any operations on the property of or into any airport unless such operations are authorized by both this Commission and the

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airport authority involved. Consistent failure to comply with safety or traffic rules and regulations of an airport authority may result in suspension or revocation of Commission operating authority.

- 3.02 - TAXI TRANSPORTATION SERVICE NOT AUTHORIZED. A carrier is not authorized to engage in taxicab transportation service licensed and regulated by a city or county. Carriers are prohibited from using vehicles which have top lights and/or taxi meters.
- 3.03 - SUB-CARRIERS. A carrier shall not use the services of another carrier (sub-carrier) that provides the vehicle and the driver, unless the second carrier holds Commission authority as a charter-party carrier. The agreement for the utilization of the second carrier's vehicle(s) and driver(s) by the operating carrier shall be evidenced by a written document, and shall contain the carrier's names, TCP numbers, and the services to be provided.
- 3.04 - FICTITIOUS NAMES. A carrier shall not use any trade, business, or fictitious names, which are not on file with the Commission.
- 3.05 - ADVERTISEMENTS SHALL INCLUDE PSC NUMBER. Carriers shall state the number of their certificate in every written or oral advertisement, broadcast, or other holding out to the public for services. The number shall be preceded by the letters "PSC".

PART 4 - VEHICLES

- 4.01 - EQUIPMENT STATEMENT TO BE CURRENT. Every carrier shall maintain, on file with the Commission, an equipment list of all vehicles (owned or leased) in use under each certificate. The information for each vehicle shall include the manufacturer, model year, vehicle identification number (V.I.N.), seating capacity (including driver), description of body type or model designation, whether the vehicle is leased or owned, and its license plate number. Additions and deletions to the equipment list shall be filed within ten days of the date the vehicle is put into or pulled out of service.

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- 4.02 - SAFETY REQUIREMENT BEFORE OPERATION. All vehicles operated under each certificate or permit shall comply with the requirements of the California Highway Patrol and the Motor Carrier Safety Sections of Title 13 of the California Administrative Code. Every carrier must inspect all vehicles and maintain proper documentation of such inspections.
- 4.03 - NAME OF CARRIER AND VEHICLE NUMBER TO BE DISPLAYED ON VEHICLE. A vehicle shall not be operated in service unless there is painted or displayed, on each side of the vehicle, the name or trade name of the carrier. Every carrier shall assign an identifying number to each vehicle. Such number shall be painted on or otherwise permanently attached to the rear and each side of the exterior of each vehicle. The carrier's name and vehicle numbers shall be sufficiently large and color contrasted to be readable, during daylight hours, at a distance of 50 feet. However, the provisions of this section shall not apply to vehicles temporarily leased by carriers for a period of less than 30 days.
- 4.04 - PSC NUMBER TO BE DISPLAYED ON VEHICLE. The number assigned by the Commission to the carrier's authority shall be shown in full on all vehicles, including the prefix "PSC" and the authority number. The letter and numeral symbol size and placement shall be as follows:
- The identification symbol shall be in sharp color contrast to the background and such size and shape and so located as to be readily legible during daylight hours at a distance of 50 feet. The symbols shall be displayed on each side of the vehicle.
- The identifying symbols displayed by a carrier subject to the jurisdiction of the Interstate Commerce Commission (ICC) shall serve in lieu of the above requirements, provided such ICC operating authority is registered with this Commission in accordance with the Interstate and Foreign Highway Carriers' Act (commencing with P.U. Code Section 3901).
- 4.05 - DAMAGE TO IDENTIFICATION SYMBOLS. It shall be the carrier's responsibility to make immediate restoration or replacement of any damage caused to the identification names and numbers on vehicles.

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- 4.06 - ILLEGAL DISPLAY OF P.U.C. IDENTIFICATION. Immediately upon revocation or termination of any certificate the PSC number for the certificate shall be removed from all vehicles. If new operating authority is later granted, it shall be the responsibility of the carrier to make the appropriate identification.
- 4.07 - UNAUTHORIZED USE OF OPERATING AUTHORITY. A carrier shall not knowingly permit its operating authority or its PSC number(s) to be used by others.
- 4.08 - SALE OR TRANSFER OF VEHICLE. It shall be the carrier's responsibility to remove all certificate numbers and identification symbols when a vehicle is sold or transferred.

PART 5 - DRIVERS

- 5.01 - DRIVER TO BE LICENSED. Every driver of a vehicle shall be licensed as required under the California Vehicle Code and shall comply with the driver provisions of the Motor Carrier Safety Sections of Title 13 of the California Administrative Code.
- 5.02 - DRIVER RECORD. Every carrier shall enroll in the "Pull Notice Program" of the Department of Motor Vehicles as defined in Vehicle Code Section 1808.1. A vehicle shall not be operated by any driver who is presumed to be a negligent operator under Vehicle Code Section 12810.5.
- 5.03 - DRIVER STATUS. Every driver of a vehicle shall be the certificate holder or under the complete supervision, direction and control of the operating carrier and shall be:
  - A. An employee of the certificate holder; or,
  - B. An employee of a sub-carrier; or,
  - C. An independent owner-driver who holds charter-party carrier authority and is operating as a sub-carrier.

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- 5.04 - ALCOHOLIC BEVERAGES AND DRUGS: USE BY DRIVER FORBIDDEN. All drivers shall comply with the rules in the Code of Federal Regulations Part 49, Sections 392.4 and 392.5. This rule, in part, prohibits drivers from consuming or being under the influence of a drug or alcoholic beverage while on duty, and prohibits carriers from allowing drivers to consume or be under the influence of a drug or alcoholic beverage while on duty.

PART 6 - INSPECTIONS

- 6.01 - RECORDS. Every carrier shall institute and maintain in its offices, a set of records on the services it performs. These records shall include tariffs, timetables, and the number of passengers transported. Every carrier shall also maintain copies of all lease and sub-carrier agreements, and shall maintain maintenance and safety records (including, but not limited to, the records required in Sections 4.01 and 4.02), driver records (including, but not limited to, the records required in Section 5.02), and consumer complaint records (including, but not limited, to the records required in Section 7.01). All records shall be maintained for a minimum period of three years.
- 6.02 - INSPECTIONS. Commission staff shall have the right to enter any vehicle or facility to inspect a carrier's accounts, books, papers, and documents, or to ascertain if Commission rules and State laws are being complied with and observed. Every owner, operator, or driver of any vehicle shall afford the Commission staff reasonable opportunity and facilities to make such an inspection.

PART 7 - COMPLAINTS

- 7.01 - CARRIER REQUIRED TO ANSWER COMPLAINTS. Every carrier shall respond within 15 days to any written complaint concerning transportation service provided or arranged by the carrier. A carrier shall, within 15 days, respond to Commission staff inquiries regarding complaints and provide copies of any requested correspondence and records.

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PART 8 - TARIFFS AND TIMETABLES

- 8.01 - **APPLICABILITY.** All carriers shall file tariffs and all scheduled carriers shall file timetables in compliance with the Public Utilities Code, Commission directives, and the following rules. Commission staff may reject a tariff or timetable for noncompliance with the rules, any time before it becomes effective. A tariff or timetable currently in effect may be rejected or canceled for noncompliance on 30 days' notice.
- 8.02 - **PURPOSE.** Tariffs and timetables are for the information and use of the general public. They shall be published in a manner that ensures they are readable and that their terms and conditions are easy to understand and apply.
- 8.03 - **FILING REQUIREMENTS.** Three copies of each tariff and timetable shall be delivered to the Commission with a signed transmittal letter clearly explaining the purpose of the filing, the notice provisions followed, and the statutory authority for the filing. Where the filing affects an airport, an additional copy with attached mailing label, for each affected airport authority, shall be provided. Separate filings can be made for distinct services and/or service territories. A carrier may receive a receipt by filing an additional copy of the transmittal letter and a self-addressed stamped envelope. A copy of the transmittal letter will be dated by the Commission and returned to acknowledge receipt of a filing. The Commission may direct the reissue of any tariff and/or timetable.
- 8.04 - **POSTING.** All carriers shall follow the posting rules set forth in General Order 122 series. In addition, all carriers serving an airport shall conspicuously display tariff and timetable information in each vehicle used in airport service, in each location where airport service tickets are sold, and shall have copies available for public distribution. The required airport service information shall include, but not be limited to:
- a) All airport service fares, or if the carrier has more than 10 fares, at least 10 fares representative of the service performed.
  - b) All other charges (e.g. baggage, waiting).
  - c) Complete complaint procedures including reference to the Commission's regulatory role and passenger complaint line.



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For purposes of this section, vehicles serving airports as part of through intercity service shall not be deemed carriers serving an airport and shall be exempt from the posting requirements contained herein.

- 8.05 - CONTENT. Each tariff shall contain the complete terms and conditions under which the carrier will provide service, including:
- A. A title or cover page containing the legal name and Commission-issued PSC number(s) of the carrier, all trade names, a business address and telephone number, the territory or points to and from which the tariff applies (briefly stated), the date effective on the bottom right side of the page, and the authority under which the tariff is filed (e.g., decision number, order number).
  - B. All fares, additional charges, and discount provisions.
  - C. An attached timetable including specific route points and times for all scheduled services.
  - D. A service definition, hours of service, and specified territory by name and postal zip code for nonscheduled services.
  - E. Any service restrictions or limitations, including policies for: guarantee of service; ticket sale, use, refund, and exchange; and baggage provisions.
  - F. If applicable, procedures for the handling of claims for loss or damage of express shipments consistent with General Order 139.
  - G. A consumer complaint procedure that includes the address and telephone number of the Transportation Division's Consumer Affairs Unit.
- 8.06 - FORM. Tariffs and timetables shall be filed in book (pamphlet) or loose-leaf form. Tariffs shall be machine-printed on paper of good quality.
- 8.07 - SIZE. Tariffs and timetables shall be filed on paper of good quality that is no larger than 8-1/2 inches by 11 inches and no smaller than 8 inches by 10-1/2 inches.

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- 8.08 - UNIFORM SYMBOLS. Uniform symbols shall be used to indicate changes in tariffs as follows:

Letter (A), (a) or <> to indicate increases.  
Letter (R), (r) or ↓ to indicate reductions.  
Letter (C), (c) or ▲ to indicate a change resulting in neither an increase nor a reduction.

The following symbols shall be used only for the purposes indicated:

\* to show new material added to the tariff.  
+ to show "Applicable to intrastate traffic only."  
⊙ to indicate "Applicable to interstate traffic only."  
[] to indicate reissued matter.

- 8.09 - LOOSE-LEAF TARIFFS. Each page or supplement of a loose-leaf tariff shall show:

- A. The name, PSC number, address, and telephone number of the issuing carrier.
- B. The page number (e.g. "Original Page 4," Third Revised Page 10," etc.).
- C. The date the page will become effective in the lower right corner.
- D. The authority under which the amendment is filed.
- E. Amendments shall be made by filing new pages. Amended pages shall be new pages or consecutively numbered revisions of previous pages (e.g. "First Revised Page 10 cancels Original Page 10"). A loose-leaf tariff may be canceled by supplement or by filing a new tariff.
- F. A one-inch margin on the left-hand side of each page.

- 8.10 - AMENDMENTS TO BOOK TARIFFS. Book (pamphlet) tariffs shall be amended by filing supplements constructed generally in the same manner and arranged in the same order as the tariff being amended. Each supplement shall refer to the page, item, or index of the tariff or supplement it amends. Every supplement, excluding suspensions and cancelations, shall contain a cumulative index of changes in the tariff. No tariff shall have more than 2 supplements in effect at any one time. When a tariff with 2 supplements requires amendment, the entire tariff shall be reissued.

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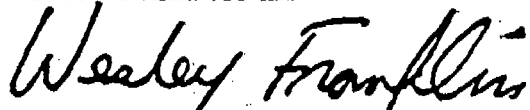
- 8.11 - ADOPTION OF TARIFFS. When operative rights of a carrier are transferred from the operating control of one company to that of another, the succeeding carrier shall issue its own tariff canceling the tariff of the preceding company or issue an adoption notice accepting as its own the tariffs of the preceding company. The adoption notice shall state the Commission order authorizing the transfer. The carrier shall also immediately inform, in writing, all agents or other carriers issuing tariffs in which it participates, of the change in ownership.
- 8.12 - CHANGE OF NAME. When a carrier changes its legal or trade name, without the transfer of control, it shall, within 10 days, amend its tariff to show the new name of the carrier. The carrier shall also, within 10 days, inform in writing all agents or other carriers issuing tariffs in which it participates of the change in name. Said agents and carriers shall promptly amend the affected tariffs to reflect the change in name. The tariff amendments shall show the new name of the carrier and its former name, for example "ABC Limo (formerly XYZ Limo)."

PART 9 - EXEMPTIONS

- 9.01 - BY WRITTEN REQUEST. If, in a particular case, exemption from any of these rules and regulations is desired, a written request may be made to the Commission for such exemption. Such a request shall be accompanied by a full statement of the conditions existing and the reasons relied on to justify the exemption. It is to be understood that any exemption so granted shall be limited to the particular case covered by the request.

Approved and dated OCT 12 1989, at San Francisco, California.

PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA



By Wesley Franklin  
Acting Executive Director

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15. (Rule 15) Contents.

All applications shall state clearly and concisely the authorization or relief sought; shall cite by appropriate reference the statutory provision or other authority under which Commission authorization or relief is sought; and, in addition to specific requirements for particular types of applications (see Rules 18 through 41), shall state the following:

(a) The exact legal name of each applicant and the location of principal place of business, and if an applicant is a corporation, trust, association, or other organized group, the State under the laws of which such applicant was created or organized.

(b) The name, title, address and telephone number of the person to whom correspondence or communications in regard to the application are to be addressed. Notices, orders and other papers may be served upon the person so named, and such service shall be deemed to be service upon applicant.

(c) Such additional information as may be required by the Commission in a particular proceeding.

(d) Applications for ex parte action shall set forth the basis for such request, and those seeking the granting of relief pending full hearing shall set forth the necessity for such relief.

(e) In addition to otherwise complying with these rules, each application for authority to abandon passenger stage service, or to reduce service to less than one trip per day (excluding Saturday and Sunday), shall include the following exhibits, except that passenger stage corporations operating solely intrastate are exempted from this requirement:

NOTE: If more than one point, route, or route segment is included in the application, the indicated data are to be separately stated for each point, route, or route segment.

Exhibit 1. Points and Routes Affected--a listing of points, routes, and route segments to be abandoned, including identification and a brief description of any other passenger transportation service available at the points or along the routes affected.

Exhibit 2. Maps--maps to scale showing each point, route, and route segment to be abandoned.

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Exhibit 3. Timetables--copies of current and proposed timetables covering the affected points and routes.

Exhibit 4. Authority--copies of current and proposed certificate authorities covering the affected points and routes.

Exhibit 5. Traffic--traffic data for a recent representative period, showing numbers of interstate and intrastate passengers (by classification if more than one type of ticket is sold) destined to and originating from each point to be abandoned; also package express shipments similarly stated.

Exhibit 6. Fares and Rates--description of the fares and rates applicable to the affected services.

Exhibit 7. Revenues--calculation of the annual interstate and intrastate passenger, express, and other revenues which accrue as a result of the service to be abandoned, along with an explanation of how the revenues were calculated and of any assumptions underlying the calculations.

Exhibit 8. Operating Statistics--calculations of route miles, annual bus miles, and schedule operating time to be eliminated for each point, route, or route segment to be abandoned.

Exhibit 9. Expenses--calculation in the Uniform System of Accounts for Common and Contract Motor Carriers of Passengers, of the variable costs of operating each affected service, with an explanation of how the costs were calculated, and of any assumptions underlying the calculations (assumptions should be consistent with those used to calculate revenues). Any labor costs included shall also be separately identified and described.

Exhibit 10. Financial Assistance--description of any present operating subsidies or financial assistance applicable to the affected service, including identification of source, amounts, duration, and any significant terms or conditions applicable; also description of any proposals or discussions with respect to operating subsidies or financial assistance which have occurred during the year preceding the filing of the application.

Exhibit 11. Additional Evidence--any additional evidence or legal argument applicant believes to be relevant to the application.

(END OF APPENDIX C)