ALJ/WRI/jt

Decision <u>90 07 041</u> JUL 18 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

On the Matter of the Application of Micheline Guerin, an Individual, dba Adventours, to establish a Zone of Rate Freedom (ZORF) for its airport passenger fares between its authorized service areas in the City of Los Angeles and the Burbank-Glendale-Pasadena Airport.

Application 90-04-057 (Filed April 30, 1990)

<u>OPINIÓN</u>

Micheline Guerin, doing business as Adventours, requests authority to establish a zone of rate freedom (ZORF) under Public Utilities (PU) Code § 454.2 between points within her authorized service area, and to deviate from the long- and short-haul provisions of PU Code § 460.

Applicant presently conducts operations as a passenger stage corporation for the transportation of passengers and their baggage between Biltmore, Bonaventure, Los Angeles Hilton, Figueroa Holiday Inn, New Otani, and Sheraton Townhouse Hotels and Los Angeles Greyhound Station, on the one hand, and Burbank Airport, on the other hand.

Applicant proposes a ZORF at a rate no more than -\$2 below and +\$10 above her current rates, alleging that the proposed charges are economically feasible and are required to allow applicant to adjust her rates to meet competitors' fares.

Notice of the filing of the application appeared in the Commission's Daily Transportation Calendar, dated May 8, 1990, and no protests have been received. Transportation Division recommends ex parte handling in the absence of protest.

<u>**Findings of Fact</u>**</u>

1. Applicant is operating in competition with other passenger transportation services provided by taxicabs, limousines,

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and automobiles, as well as with other substantially similar passenger stage transportation services.

2. Applicant requests authority to establish a ZORF of -\$2 to +\$10 around its existing rates.

3. The competitive transportation services will result in reasonable rates when considered with the ZORF authorized below.

4. The granting of an exemption from the long- and shorthaul provisions of PU Code § 460 is appropriate in this case.

5. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted

2. Before applicant charges rates under the ZORF authorized below, 10 days' notice should be given to the Commission.

3. The filing of ZORF rates should be accompanied by a tariff amendment showing for each route the high and low ends of the ZORF and the then currently effective rate.

4. No rate should be reduced to zero by application of the ZORF.

5. In order to make the proposed rate changes available as soon as possible, the following order should be effective immediately.

ORDBR

IT IS ORDERED that:

1. Micheline Guerin (applicant) may set rates within a zone of rate freedom (ZORF) between the lower limit of the ZORF as the minimum fares (\$2 below the currently authorized rate), except where the ZORF would reduce a rate to zero, and the upper limit of the ZORF as the maximum fares (\$10 above the currently authorized rate).

2. Applicant shall file a ZORF tariff on not less than 10 days' notice to the Commission and to the public and subject to

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

3. Applicant may make rate changes within the ZORF by filing amended tariffs on not less than 10 days' notice to the Commission and to the public. The tariff shall include for each route the authorized maximum and minimum rates and the rate to be charged.

4. Applicant is exempted from the long- and short-haul provisions of Public Utilities Code § 460 in setting the authorized ZORF rates.

5. In addition to posting and filing proposed tariff changes, applicants shall post notices explaining rate changes in its terminals and passenger-carrying vehicles. The notices shall be posted at least 5 days before the effective date of the rate changes and shall remain posted for at least 30 days.

6. The application is granted as set forth above.
This order is effective today.
Dated <u>JUL 18 1990</u>, at San Francisco, California.

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

1 CERTIFY THAT THIS DECLEGON WAS APPROVED BY THE AUDVE COMMISSIONISSION TOAY

MAN, Executive Director

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