

Decision 90 07 045 JUL 18 1990

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Sacramento Metro Shuttle (PSC 1438) to establish a Zone of Rate Freedom and individual fares for passenger stage service between zones in authorized service territory and Sacramento Metropolitan Airport.

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Application 89-11-026
 (Filed November 27, 1989;
 amended January 31, 1990
 and March 27, 1990)

OPINION

Gary Claire and Harland Compton, doing business as Sacramento Metro Shuttle, request authority to establish a zone of rate freedom (ZORF) under Public Utilities (PU) Code § 454.2 between points within their authorized service area, and to deviate from the long- and short-haul provisions of PU Code § 460.

Applicants presently conduct operations as a passenger stage corporation for the transportation of passengers and their baggage between Sacramento Metropolitan Airport and surrounding communities (Decision 87-04-018).

Applicants propose a ZORF at a rate no more than \$2.50 above their current rates, alleging that the proposed charges are economically feasible and are required to allow applicants to adjust their rates to meet competitors' fares.

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

Findings of Fact

- 1. Applicants are operating in competition with other substantially similar passenger stage transportation services.
- 2. Applicants request authority to establish a ZORF to +\$2.50 above 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 short-haul 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 applicants charge 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.

O R D E R

IT IS ORDERED that:

1. Gary Claire and Harland Compton (applicants) may set rates within a zone of rate freedom (ZORF) between the lower limit of the ZORF as the minimum fares (currently authorized rates) and the upper limit of the ZORF as the maximum fares (\$2.50 above currently authorized rates).

2. Applicants shall file a ZORF tariff on not less than 10 days' notice to the Commission and to the public and subject to Commission approval. The ZORF authority shall expire unless exercised within 60 days after the effective date of this order.

3. Applicants 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. Applicants are 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.

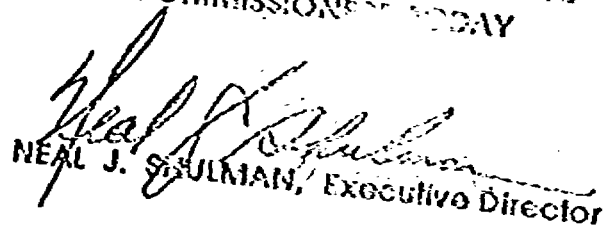
6. The application is granted as set forth above.

This order is effective today.

Dated JUL 18 1990, at San Francisco, California.

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

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


NEAL J. SAULMAN, Executive Director

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