Decision 90 09 013 SEP 12 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Associated Limousines) of San Francisco, Inc. For Authority) to Establish A Zone of Rate Freedom) For Passenger Stage Service Between) Points In Its Authorized Service) Area.

Application 89-10-003 (Filed October 1, 1989; amended January 12, 1990 and June 19, 1990)

OPINION



Associated Limousines of San Francisco, Inc., (Associated or applicant), a California corporation, requests authority to establish a zone of rate freedom (ZORF) under Public Utilities (PU) Code § 454.2 between points within its authorized service area, and to deviate from the long- and short-haul provisions of PU Code § 460.

Applicant now conducts operations as a passenger stage corporation primarily for the transportation of passengers and their baggage between San Francisco International Airport and points in the Counties of San Francisco, San Mateo, Marin, Santa Clara, Contra Costa, and Alameda (Decision 86-01-046.)

Associated proposes a ZORF at a rate no more than \$25.00 above its current rate, alleging that the proposed charges are economically feasible and are required to allow applicant to adjust its rates so that they are high enough to be compensatory but not so high as to be unreasonable.

An unaudited income statement attached to the application shows revenue of \$2,673,051, expenses of \$2,733,530, and a net loss of \$60,479.00 for calendar year 1988.

Notice of the filing of the application appeared in the Commission's Daily Transportation Calendar on October 17, 1989, and

it was protested by SuperShuttle of San Francisco, Inc. On January 12, 1990, Associated amended its application and the single protest was withdrawn on May 10, 1990. A further clarifying amendment was filed on June 19, 1990.

Findings of Fact

- 1. Applicant is a passenger stage corporation providing service between San Francisco International Airport and points in the Counties of San Francisco, San Mateo, Marin, Santa Clara, Contra Costa, and Alameda.
- 2. Applicant is requesting authority to establish a ZORF between the lower limit of its present authorized fares and the upper limit of the ZORF of \$25.00 above its present authorized fares.
- 3. The ZORF will permit applicant to adjust its rates to be compensatory but not so high as to be unreasonable.
- 4. Applicant should be exempted from the long- and short-haul provisions of PU Code § 460.

Conclusions of Law

- The application should be granted.
- 2. Before applicant charges any ZORF fares, it should first file such fares with the Commission on 10 days' notice.
- 3. The filling of ZORF fares should be accompanied by a tariff amendment which shows the high and low ends of the ZORF as well as the then currently effective rate.

ORDER

IT IS ORDERED that:

1. Associated Limousines of San Francisco, Inc. (Associated or applicant) may set rates within a zone of rate freedom (ZORF) between the lower limit of the ZORF (the currently authorized rates) and the upper limit of the ZORF (\$25.00 above the currently authorized rates).

- 2. Applicant 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. 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 PU Code \$ 460 in setting the authorized ZORF rates.
- 5. In addition to posting and filing proposed tariff changes, applicant 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.

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

Commissioner John B. Ohanian, being necessarily absent, did not participate.

COMMESSIONES NOTAY

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