

ORIGINAL

Decision **90 09 031** SEP 12 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
TEIKI KANKO-SAN FRANCISCO, INC. for
authority to Operate as a Passenger
Stage Corporation Between points in
San Francisco County and the San
Francisco International Airport.

Application 89-11-017
(Filed November 17, 1989;
amended April 17, 1990)

OPINION

Teiko Kanko-San Francisco, Inc., a California corporation with headquarters in San Francisco, seeks authority under Public Utilities Code § 1031 et seq. to operate on-call transportation service between the San Francisco International Airport (SFO) and downtown San Francisco hotels, and to provide narrated tour service from SFO to various points in San Francisco and terminating at downtown San Francisco hotels.

Notice of filing of the application appeared in the Commission's Daily Transportation Calendar on November 28, 1989. Applicant was notified of deficiencies in the application by letter from Thomas Enderle of the Commission Transportation Division to Steven Teraoka, dated December 20, 1989. An amendment to the application was filed on April 17, 1990, to correct the deficiencies. Notice of filing of the amendment appeared in Commission's Daily Transportation Calendar on April 23, 1990. The application and amendment were forwarded by applicant to each public transit operator within whose boundaries passengers will load or unload, and to the County Clerk of San Francisco and San Mateo Counties.

The Commission has received no protests or requests for hearing of the application. The Transportation Division recommends that the amended application be granted by ex parte order.

Applicant proposes to operate four leased vehicles, consisting of two buses of 47 and 48 passenger capacity each, and two vans of 11 and 14 passenger capacity each. The vehicles will be garaged at applicant's facilities at 2690 Third Street in San Francisco.

Applicant will perform daily on-call service on two routes, using Japanese-speaking drivers. Route 1 service is from SFO to downtown San Francisco hotels. Route 2 is a narrated tour service from SFO to Twin Peaks, Golden Gate Bridge, Fisherman's Wharf, and Union Square, ending at downtown San Francisco hotels. The one-way fares for Route 1 are \$15 for adults, \$13 for children from four to 11 years, and free for children under four. The one-way fares for Route 2 are \$30 for adults, \$24 for children from four to 11 years, and free for children under four.

Applicant alleges that the proposed services are unique since no comparable services are available to Japanese speaking visitors.

The unaudited balance sheet in the amendment to the application indicates assets and liabilities of \$418,000, and a net worth of \$100,000.

Applicant projects for the first year of operations, annual revenues of \$105,000 for Route 1, \$210,000 for Route 2, and a combined net income at \$24,600 for both routes. The projection is based on an annual ridership of 7,000 equivalent adults on each route.

Applicant's estimates of revenues and expenses show a reasonable opportunity to earn a profit and compete effectively in the chosen transportation market.

Findings of Fact

1. Applicant has the financial resources to perform the proposed services.

2. The Commission has considered the effect of applicant's proposed services on the operations of public transit operators serving the territories applicant requests authority to serve.

3. It can be seen with certainty that there is no possibility that the proposed service will have a significant adverse impact on the environment.

4. No protests or requests for hearing have been filed.

5. A public hearing is not necessary.

Conclusions of Law

1. Public convenience and necessity have been shown, and applicant should be granted a certificate.

2. Only the amount paid to the state for operating rights may be used in rate fixing. The state may grant any number of these rights and may cancel or modify the monopoly feature of these rights at any time.

ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Teiko Kanko-San Francisco, Inc., a corporation, authorizing it to operate as a passenger stage corporation, as defined in Public Utilities (PU) Code § 226, between the points and over the routes set forth in the attached Appendix PSC-6458, to transport passengers and their baggage.

Applicant shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. State in its tariffs and timetables when service will start, allow at least 10 days notice to the Commission, and make the

timetables and tariffs effective 10 or more days after this order is effective.

- d. Comply with the General Order Series 101, 104, and 158, and the California Highway Patrol safety rules.
- e. Maintain accounting records in conformity with the Uniform System of Accounts.
- f. Remit to the Commission the Transportation Reimbursement Fee required by PU Code § 403 when notified by mail to do so.

3. Before beginning service to any airport, applicant shall notify the airport's governing body. Applicant shall not operate into or on airport property unless such operations are also authorized by the airport's governing body.

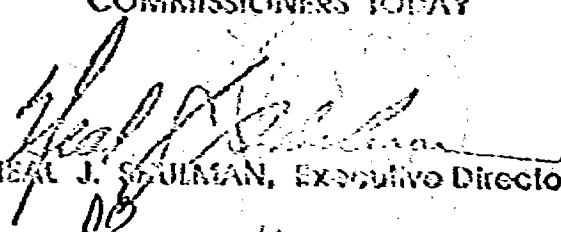
4. Applicant is authorized to begin operations on the date the Executive Director mails a notice to applicant that it has evidence of insurance on file with the Commission and that the California Highway Patrol has approved the use of applicant's vehicles for service.

5. This application is granted as set forth above.

This order is effective today.

Dated SEP 12 1990, at San Francisco, California.

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


NEAL J. SCHULMAN, Executive Director

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

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

Appendix PSC-6458

Teiki Kanko
San Francisco, Inc.
(a corporation)

Original Title Page

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION
PSC-6458

Showing passenger stage operative rights, restrictions, limitations,
exceptions, and privileges.

All changes and amendments as authorized by
the Public Utilities Commission of the State of California
will be made as revised pages or added original pages.

Issued under authority of Decision 90 09 031,
dated SEP 12 1990, of the Public Utilities Commission of
the State of California in Application 89-11-017.

Appendix PSC-6458

Teiki Kankō
San Francisco, Inc.
(a corporation)

Original Page 1

I N D E X

	<u>Page</u>
SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS	2
SECTION II. ROUTE DESCRIPTION	3
SECTION III. SERVICE AREAS	4

Issued by California Public Utilities Commission.
Decision 90 09 031, Application 89-11-017.

SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS.

Teiki Kanko-San Francisco, a California corporation, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers and their baggage on an "on-call" basis, between the City and County of San Francisco and San Francisco International Airport (SFO), over and along the route described, subject, however, to the authority of this Commission to change or modify the route at any time and subject to the following provisions:

- a. When route descriptions are given in one direction, they apply to operation in either direction unless otherwise indicated.
- b. The term "on-call", as used, refers to service which is authorized to be rendered dependent on the demands of passengers. The tariffs and timetables shall show the conditions under which each authorized on-call service will be rendered.
- c. No passengers shall be transported except those having a point of origin or destination at SFO.
- d. This certificate does not authorize the holder to conduct any operation on the property of or into any airport unless such operation is authorized by the airport authority involved.

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Decision 90 09 031 , Application 89-11-017.

Appendix PSC-6458

Teiki Kanko
San Francisco, Inc.
(a corporation)

Original Page 3

SECTION II. ROUTE DESCRIPTIONS.

Route 1 - San Francisco/SFO

Commencing from any point in the City and County of San Francisco, then via the most convenient streets and highways to San Francisco International Airport.

Route 2 - SFO/San Francisco City Tour

Commencing from San Francisco International Airport, then over the most convenient streets and highways to points and places of interest and to the hotels in San Francisco.

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