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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Gormley/Takei Inc. dba Valencia Airport Shuttles Inc. to establish a zone of rate freedom for passenger stage service between points in its authorized service and Los Angeles International Airport.

Application 90-07-052 (Filed July 20, 1990)

<u>OPINION</u>

Gormley/Takei Shuttles, Inc., a California corporation doing business as Valencia Airport Shuttle, 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 conducts operations as a passenger stage corporation for transportation of passengers and their baggage between points in Santa Clarita Valley and Los Angeles International Airport (LAX) in competition with other substantially similar passenger stage transportation services.

Applicant proposes a ZORF that is \$19 below or above its present adult one-way fare, as the minimum and maximum, and \$10 below or above its "each additional fare," adult one-way fare, as the minimum and maximum.

Notice of the filing of the application appeared in the Commission's Daily Transportation Calendar on July 27, 1990. No protests have been received, and Transportation Division recommends ex parte approval of the application.

Pindings of Pact

1. Applicant is operating in competition with other substantially similar passenger stage transportation services.

2. Applicant requests authority to establish a 80RF of -\$19 to +\$19 around its existing first adult passenger one-way fare and -\$10 to +\$10 around its existing additional adult passenger one-way fare.

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 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. Gormley/Takei Shuttles, Inc., is authorized to establish fares within a Zone of Rate Freedom (ZORF) that is \$19 below or above its present adult one-way fare, as the minimum and maximum, and \$10 below or above its "each additional fare", adult one-way fare, as the minimum and maximum.

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 charges.

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, 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.

6. This application is granted as set forth above. This order is effective today.

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Dated OCT 12 1990 , at San Francisco, California.

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

I CERTIFY THAT, THIS DECISION WAS APPROVED BY THE ADDARD COMMISSION TO TRANS AB LAND