

NOV 9 1990

Decision 90-11-022 November 9, 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 VALLEY AIRPORT SHUTTLE, INC., dba)
 CITY SHUTTLE, to establish a Zone of)
 Rate Freedom (ZORF) for its Airport)
 Passenger fares between its)
 authorized service areas in Southern)
 California and LAX, John Wayne,)
 Ontario, Burbank and Long Beach)
 Airports, and the Long Beach Harbor)
 areas.)

ORIGINAL

Application 90-08-061
(Filed August 27, 1990)

O P I N I O N

Valley Airport Shuttle, Inc. (applicant), doing business as City Shuttle, requests authority to establish a zone of rate freedom (ZORF) under Public Utilities (PU) Code § 454.2 in connection with on-call passenger stage service between points in its Southern California service area, on the one hand and Los Angeles International Airport, John Wayne Airport, Long Beach Airport, Ontario Airport, and Long Beach Harbor on the other hand.

Notice of the filing of the application appeared in the Commission's Daily Calendar on August 30, 1990. Copies were served August 24, 1990 on various local government entities. No protests have been received. A public hearing is not necessary.

Applicant proposes to create a ZORF consisting of a range from \$2 below its current fares to \$10 above those fares. Exhibit D attached to the application displays the existing and proposed range of fares from various points in the service area. In conjunction with this request, applicant also seeks an exemption from the long-haul and short-haul provisions of the PU Code § 460.

In support of its application, applicant states that it experiences growing competition from other passenger carriers, especially other airport shuttle services; that most of its

competitors have received authority to establish ZORFs; and that applicant requires the requested relief in order to remain competitive.

Applicant holds a passenger stage certificate (PSC-1415) and states that it currently complies with the Commission's insurance requirements. Applicant's balance sheet shows total assets and liabilities of \$400,497. Applicant's equipment list shows a fleet of 31 vans.

Findings of Fact

1. Applicant is operating in competition with other substantially similar passenger stage transportation services and with taxicabs, limousines, automobiles, and buses.

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 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.

ORDER

IT IS ORDERED that:

1. Valley Airport Shuttle, Inc. (applicant), is authorized to establish fares within a zone of rate freedom (ZORF) between a lower limit of the present fares contained in its current passenger tariff less \$2 and an upper limit of its presently tarified fares plus \$10.

2. Applicant shall file a tariff based on the ZORF on no less than 10 days' notice to the Commission and the public subject to Commission approval. The authority for ZORF shall expire unless exercised within 60 days after the effective date of this order.

3. Any fare changes within its ZORF may be made by applicant by filing and amending their tariff on no less than 10 days' notice to the Commission and the public. The tariff shall include for each fare point, the authorized maximum fare, the authorized minimum fare, and the fare to be actually charged.

4. Applicant is exempted from the provisions of the long- and short-haul requirements of PU Code § 460 in establishing the authorized ZORF fares.

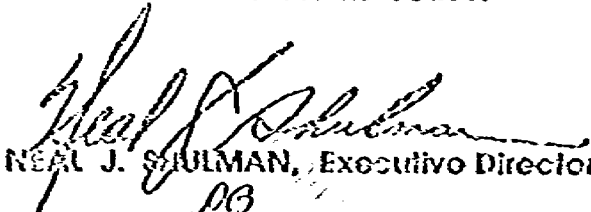
5. In addition to posting and filing tariffs, applicant shall post a printed explanation of its fares in its fare passenger carrying vehicles and terminals. The notice shall be posted at least 5 days before the effective date of the fare changes and shall remain posted for at least 30 days.

6. The application is granted as set forth above.
This order is effective today.
Dated November 9, 1990, at San Francisco, California.

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

Commissioner Stanley W. Hulett,
being necessarily absent, did not
participate.

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


NEAL J. SCHULMAN, Executive Director
DB