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Decision <u>91-01-037</u> January 25, 1991 BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SuperShuttle of San Francisco, Inc. (PSC-1298) for authority to establish revised zones of rate freedom for passenger stage service between points in its authorized service area.



<u>O PINION</u>

SuperShuttle of San Francisco, Inc. (applicant), a passenger stage corporation (PSC-1298), requests authority to increase certain of its existing zones of rate freedom (ZORFs) under Public Utilities (PU) Code § 454.2 and to deviate from the long- and short-haul provisions of PU Code § 460. Applicant provides on-call service between points in the counties of San Francisco, San Mateo, and Santa Clara, on the one hand, and San Francisco (SFO) and San Jose (SJC) International Airports, on the other hand, and between SFO and SJC. This application requests ZORFs between certain points and SFO as described in Exhibits 1 and 2 of this application. The doubling of insurance costs and increased fuel costs even before the invasion of Kuwait have prompted the filing of this application. Applicant's existing ZORFs were authorized by Decision (D.) 88-01-008.

Notice of the filing of this application appeared on the Commission's Daily Transportation Calendar on November 13, 1990. No protests to the application have been filed.

Applicant attached to its application Exhibits 1-6 and Notice of Mailing filed on November 13, 1990 in compliance with the Commission's Rules of Procedure, Rules 23 and 24. \$

Exhibits 1 and 2 specifies the proposed and existing ZORFs. Increases in the ZORFs varies between \$2 and \$16 resulting in increases of 25% to 66.65%. The \$16 or 66.65% increase is for service to points between Atherton and Woodside Highlands.

In addition to the increased fuel and insurances costs, the ZORFs include the recovery of costs for services provided to remote areas and to points based on the frequency or demand for the services.

The effect of the increases in ZORFs will increase applicants projected revenue by \$2,497,717 or 25% over its 1989 revenue. (Exhibit 3.)

Applicant is competing with other passenger stage carriers, and other transporation carriers as required by PU Code § 454.2.

Applicant requests exemption from long- and short-haul provisions of FU Code § 460. This exemption is customary when a ZORF is authorized and we find it reasonable.

Findings of Fact

1. Applicant is a passenger stage corporation operating an on-call service between points in the counties of San Francisco, San Mateo, and Santa Clara, on the one hand, and SFO, and SJC, on the other hand, and betweeen SFO and SJC.

2. Applicant requests authority to increase from its existing ZORFs represented in Exhibit 2 to its proposed ZORFs represented in Exhibit 1 that will result in an increase in revenues of \$2,497,717 over its 1989 revenues.

3. Applicant competes with passenger stage corporations, buses, taxi cabs, limousines, and automobiles in its operations.

4. Applicant seek exemption from the long- and short-haul provisions of PU Code § 460.

5. No protests have been received.

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Conclusions of Law

1. The application should be granted.

2. A public hearing is not necessary.

3. Competitive transportation services will assure reasonable fares within applicant's service territory when considered along with the proposed ZORFs.

4. The granting of an exemption to the long- and shorthaul provisions of PU Code § 460 is appropriate in this case.

5. Before applicant charges fares under the ZORF authorized below, 10 days' notice should be given to this Commission.

6. The filing of ZORF fares 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.

7. In order to make the proposed fare changes available as soon as possible, the following order should be effective on the date of this decision.

ORDER

IT IS ORDERED that:

1. SuperShuttle of San Francisco, Inc. (applicant) is authorized to increase from its existing zone of rate freedom (ZORF) fares to the ZORF as proposed in Application 90-10-065, Exhibit 1. Applicant may set fares within the ZORF between the lower limit of the ZORF and the upper limit of the ZORF.

2. Applicant shall file a ZORF tariff in accordance with the application on not less than 10 days' notice to the Commission and to the public and subject to Commission approval. The ZORF shall expire unless exercised within 60 days after the effective date of this order. A.90-10-065 T/MM/mm

3. Applicant may make 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 fares and the fare to be charged.

4. Applicant is exempted from the long- and short-haul provisions of Public Utilities Code § 460 in setting the authorized ZORF fares.

5. In addition to posting and filing tariffs, applicant shall post notices explaining fare changes in its terminals and passenger-carrying vehicles. 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 <u>January 25, 1991</u>, at San Francisco, California.

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

I CERTIFY THAT THIS DECISION WAS APPROVED BY THE ADOVE COMMISSIONERS TODAY N. Exocutive Director AB.