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Decision 91-11-039 November 20, 1991

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Sacramento Davis Transport, Inc., dba Sacramento-Yolo Airporter, for Certificate of Public Convenience and Necessity to operate as a Passenger Stage Corporation between Sacramento Metropolitan Airport and points in the counties of Sacramento, Yolo, El Dorado, and Placer. Application 91-04-015 (Filed April 12, 1991)

George Raymond Miller, for Pacific Sacramento Davis Transport, Inc., applicant.  
Ronald LaGoe, for himself, protestant.  
Masaru Matsumura, for the Transportation Division

OPINION

Pacific Sacramento Davis Transport, Inc., a California corporation, requests authority under Public Utilities (PU) Code §§ 1031, et seq. to operate as an on-call passenger stage corporation between Sacramento Metropolitan Airport, on the one hand, and points in the counties of Sacramento, Yolo, El Dorado, and Placer, on the other hand.

A protest to the application having been filed by Ronald LaGoe and by Fred and Rosita Andres, a duly noticed public hearing was held before Administrative Law Judge Orville I. Wright in Sacramento on July 24, 1991. The matter was submitted on August 8, 1991.

Applicant's Evidence

George Raymond Miller (Miller), one of applicant's incorporators, testified that he has driven cabs in the Sacramento area for some seven years and has, most recently, driven a van for Ronald LaGoe (LaGoe), protestant in this proceeding. He thinks

that the experience and knowledge, thus acquired, qualify him to operate an on-call airport shuttle service.

Miller presented letters from five business firms and individuals stating that there was a need, in their opinion, for additional on-call van service to the Sacramento airport. He estimates that he will carry an average of four to five persons per trip, based upon past experience.

Applicant's balance sheet dated March 31, 1991 shows total assets of \$13,300 and stockholder's equity of \$9,300. It projects first year gross income of \$83,200 based upon utilization of two vans and two salaried drivers.

Miller suggests that LaGoe's action in taking two vans out of service, causing Miller to lose his position as driver, was unnecessary. Applicant believes that better management of van operations is required and, for this reason, seeks to start his own company.

Miller notes that the entry of Southwest Airlines into Sacramento Metropolitan Airport has resulted in a 25% increase in the number of airport passengers.

#### LaGoe's Evidence

LaGoe testified that he operates a certified on-call service between Davis in Yolo County and the Sacramento airport, along with 24 other competing vans. Because of the recent conflict in Iraq, LaGoe states that he has had to reduce the number of vehicles in his service and has had to terminate applicant Miller as one of his drivers.

Protestant produced airport statistics showing an average passenger count from 3.2 to 4.2 passengers per trip. He also introduced photographs showing 8 to 12 vans lined up at the Sacramento airport waiting for fares.

In LaGoe's view, the 30 to 40% drop in his business since the mideast crisis, and similar business losses by other operators,

demonstrates that the market is saturated so that no additional van entries are needed.

Discussion

Applicant seeks authority to inaugurate an on-call shuttle service between Sacramento Metropolitan Airport and various surrounding points. It will use two vans in the service, and its operator has sufficient experience and financial fitness to qualify for a certificate of public convenience and necessity.

Protestant operates vans between the airport and Davis, one city among the many communities that applicant wishes to serve. Protestant has suffered a loss of airport business recently and requests, for that reason, that no new van operators be certified between Davis and Sacramento airport.

Neither protestant's own experience in airport transportation nor the number of vans in airport operation persuades us that new applicants for certificated transportation service should be denied. We continue to believe that competition between qualified carriers should be encouraged so that the public will benefit from the best available service.

We find that existing passenger stage corporations serving the territory will not provide service to the satisfaction of the Commission.

Waiver of Proposed Decision

It is common in the case of airport shuttle service applications for applicants to move to waive the filing of and comment on the proposed decision (Rule 77.1, Rules of Practice and Procedure), which motion has been uniformly granted.

While applicant in this instance has not requested waiver of the comment procedure, we will make and grant such action on our own motion as the evidence shows a compelling present need for the proposed service.

**Findings of Fact**

1. Applicant has the ability, equipment, and financial resources to perform the proposed service.
2. Public convenience and necessity require the proposed service.
3. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.
4. Existing passenger stage corporations serving the territory will not provide service to the satisfaction of the Commission.
5. As the evidence shows a compelling present need for the proposed service, the order should be effective on the date of signing.

**Conclusion of Law**

Public convenience and necessity have been demonstrated and a certificate should be granted.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of 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 Pacific Sacramento Davis Transport, Inc., authorizing it to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in Appendix PSC-7218 to transport persons and baggage.
2. 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 timetables and tariffs effective 10 or more days after this order is effective.
- d. Comply with General Orders 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 that the Executive Director mails a notice to applicant that its evidence of insurance is on file with the Commission and that the California Highway Patrol has approved the use of applicant's vehicles for service.

5. Applicant shall comply with Public Utilities Code §§ 460.7 and 1043, relating to the Workers' Compensation laws of this state.

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*[Handwritten signature]*  
 EXECUTIVE DIRECTOR

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

Dated November 20, 1991, at San Francisco, California.

**PATRICIA M. ECKERT**  
President  
**DANIEL Wm. FESSLER**  
**NORMAN D. SHUMWAY**  
Commissioners

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

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

*Neal J. Shulman*  
**NEAL J. SHULMAN, Executive Director**  
PB

T/MM

Appendix PSC-7218

Pacific Sacramento Davis  
Transport, Inc.  
(a corporation)

Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-7218

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

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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.  
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Issued under authority of Decision 91-11-039,  
dated November 20, 1991, of the Public Utilities Commission of the  
State of California in Application 91-04-015.

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Issued by California Public Utilities Commission.

Decision 91-11-039, Application 91-04-015.



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

Pacific Sacramento Davis Transport, Inc., a 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 points described in Section II, and Sacramento Metropolitan Airport (SMA), over and along the route described in Section III, 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 SMA.
- 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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T/MM

Appendix PSC-7218

Pacific Sacramento Davis  
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SECTION II. SERVICE AREA.

Counties of Sacramento and Yolo.

The cities or communities of Roseville, Rocklin,  
Loomis, Auburn, Cameron Park, and El Dorado.

SECTION III. ROUTE DESCRIPTION.

ON - CALL SERVICE

Commencing from any point or place in the Service Area  
described in Section II then over the most convenient streets and  
highways to Sacramento Metropolitan Airport.

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