

T/HEE/ebi

Decision **92 02 022** FEB 05 1992

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of )  
Bahram Shahab and Mehrdad Hajimoradi )  
et al, dba L.A. Xpress Airport )  
Shuttle, requesting authorization )  
for: Rate adjustment and establish )  
a Zone of Rate Freedom (ZORF) for )  
it's Airport Passenger Fares between )  
it's authorized Service Areas in )  
Southern California and LAX, John )  
Wayne, Ontario, Burbank and Long )  
Beach airports, Long Beach Harbor )  
Areas, and Amtrak Station on the one )  
hand and establish rates for express )  
baggage delivery on the other hand. )

**ORIGINAL**

Application 91-04-022  
(filed April 19, 1991)

O P I N I O N

Bahram Shahab and Mehrdad Hajimoradi (applicants), dba LA Xpress, have requested authority to increase their rates by about 19%, to establish a zone of rate freedom (ZORF) under Public Utilities (PU) Code, § 454.2, to establish rates for express baggage delivery, and to deviate from the long- and short-haul provisions of PU Code § 460.

Applicants operate as a passenger stage corporation under PSC-5038, transporting passengers and their baggage, on-call, door-to-door basis, between points in Los Angeles, Orange, Ventura, San Bernardino and Riverside Counties, on the one hand, and Los Angeles International Airport (LAX), John Wayne Airport (SNA), Ontario Airport (ONT), Burbank Airport (BUR), Long Beach Airport (LGB), Los Angeles and Long Beach Harbors, and Amtrak Station, on the other hand. Applicants' service competes with other substantially similar passenger stage services.

On October 22, 1991, applicants withdrew their request for rate increase, and corrected errors in their financial statements (balance sheet and income statement) and service territory. Applicants have proposed to establish a ZORF of -\$5.00 to +\$5.00 over their authorized rates.

Findings of Fact

1. Applicants are operating in competition with other substantially similar passenger stage transportation services.
2. Applicants' present fares were authorized by Decision 88-10-026, in Application (A.) 88-05-049.
3. Applicants' net income for the year ending December 31, 1991, is \$19,602 at an operating ratio of 97.38%.
4. Competitive transportation services will result in reasonable rates when considered with the ZORF authorized below.
5. The granting of exemption from the long- and short-haul provisions of PU Code § 460 is appropriate in this case.
6. The proposed express baggage delivery rates are reasonable, and are limited to deliveries between LAX and points within the geographic limits of the authorized service territory.
7. Notice of the filing of the application appeared in the Daily Commission Calendar on April 24, 1991.
8. No protests have been received.

Conclusions of Law

1. The ZORF and baggage express rates (subject to #6 above) requested in A. 91-04-022 should be granted.
2. Before applicants charge rates under 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 current effective rate.
4. No rates should be reduced to zero by application of the ZORF.
5. A public hearing is not necessary.
6. In order to make the proposed ZORF and baggage express rates available as soon as possible, the following order should be effective immediately.

O R D E R

IT IS ORDERED that:

1. Bahram Shahab and Mehrdad Hajimoradi, dba LA Xpress, are authorized to establish the zone of rate freedom (ZORF) and baggage express rates proposed in Application (A.) 91-04-022. Tariffs shall be filed on or after the effective date of this order. They may go into effect ten days or more after the effective date of this order on not less than ten days' notice to the Commission and to the public.

2. This authority shall expire unless exercised within 60 days after the effective date of this order.

3. In addition to the required posting and filing of tariffs, applicants shall give notice to the public by posting in applicants' vehicles a printed explanation of the fares. Such notice shall be posted not less than five days before the effective date of the fare changes and shall remain posted for a period of not less than 30 days.

4. Applicants may set rates within a ZORF between the lower limit of the ZORF (\$5 below the currently authorized rate, except where the ZORF would reduce a rate to zero) and the upper limit of the ZORF (\$5 above the currently authorized rate).

5. Applicants shall file a ZORF tariff on not less than 10 days' notice to the Commission and to the public and subject to Commission approval. The ZORF authority shall expire unless exercised within 60 days after the effective date of this order.

6. Applicants 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 changed.

7. Applicants are exempted from the long- and short-haul provisions of Public Utilities Code § 460 in setting the authorized ZORF rates.

This order is effective today.

Dated FEB 05 1992, at San Francisco, California.

DANIEL Wm. FESSLER  
President  
JOHN B. OHANIAN  
PATRICIA M. ECKERT  
NORMAN D. SHUMWAY  
Commissioners

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

  
NEAL J. SHULMAN, Executive Director