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Decision 92 03 048 MAR 11 1992

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of)
Laura Lee Nelson, dba Metropolitan)
Express for authority to increase)
fares and to establish a Zone of)
Rate Freedom for the transportation)
of passengers between points in both)
Los Angeles and Orange Counties, on)
the one hand, and, on the other hand)
Amtrak Union Station Los Angeles,)
Los Angeles International, Long)
Beach, John Wayne Airports, and Los)
and Long Beach Harbors.)

ORIGINAL

Application 91-08-043
(filed August 26, 1991)

O P I N I O N

Laura Lee Nelson (applicant), dba Metropolitan Express, seeks authority to increase her rates and to establish a zone of rate freedom (ZORF) under Public Utilities (PU) Code, § 454.2 and to deviate from the long-and short-haul provisions of PU Code § 460.

Applicant operates as a passenger stage corporation under PSC-4928, transporting passengers and their baggage, on an on-call, door-to-door basis, between points in Los Angeles and Orange Counties, on the one hand, and Los Angeles International Airport (LAX), John Wayne Airport (SNA), Amtrak Station, and Los Angeles and Long Beach Harbors, on the other hand. Applicant's service competes with other substantially similar passenger stage services.

Applicant has proposed an overall rate increase of about 19%, claiming that increased fuel costs, maintenance costs, and insurance costs have caused a loss of \$21,579 for the year ending December 31, 1990. Applicant has proposed to set rates within a ZORF ranging from -\$4.00 to +\$4.00.

Applicant also competes with other passenger stage corporations, taxi cabs, limousines and automobiles in its service area.

The proposed ZORF when implemented, may conflict with PU Code § 460. Applicant should be exempted from the long-and short-haul provisions of PU Code § 460.

Applicant attached to her application a "Proof of Service by Mail" in compliance with Rules 23 and 24 of the Commission's Rules of Practice and Procedure.

Findings of Fact

1. Applicant is operating in competition with other substantially similar passenger stage transportation services.
2. Applicant's present fares were authorized by Decision 89-07-036, dated July 19, 1989, in Application 88-08-056.
3. Applicant reported a loss of \$21,579 for the year ending December 31, 1990, at an operating ratio of 107%. Operating at the current rates, applicant will lose \$14,564 in 1991.
4. The rates proposed by applicant in Exhibit G of Application 91-08-043 are just and reasonable.
5. Competitive transportation services will result in reasonable rates when considered with the ZORF authorized below.
6. The granting of exemption from the long- and short-haul provisions of PU Code § 460 is appropriate in this case.
7. Notice of the filing of the application appeared in the Daily Commission Calendar on August 29, 1991.
8. No protests have been received.

Conclusions of Law

1. The rates and ZORF requested in Application 91-08-043 should be granted.
2. Before applicant charges 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 rate changes and ZORF available as soon as possible, the following order should be effective immediately.

O R D E R

IT IS ORDERED that:

1. Laura Lee Nelson, doing business as Metropolitan Express (Applicant), is authorized under Public Utilities (PU) Code § 454 to increase from present fares to the proposed fares and under PU Code § 454.2 to establish the zone of rate freedom (ZORF) requested in Application 91-08-043. 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.
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 provision of PU Code § 460 in setting the authorized ZORF fares.

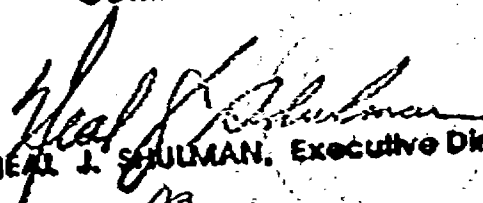
5. In addition to posting and filing tariffs, applicant shall post notices explaining fare changes in its terminals and passenger-carrying vehicles. Such notices shall be posted at least 5 days before the effective date of the fare changes and shall remain posted for at least 30 days.

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

Dated MAR 11 1992, at San Francisco,
California.

DANIEL Wm. FESSLER
President
JOHN B. CHANIAN
PATRICIA M. DEKERT
NORMAN D. SHUMWAY
Commissioners

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


NEAL J. SHULMAN, Executive Director
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