

Decision 92 07 022 July 1, 1992

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Golden Star Airport Shuttle (PSC 5929) to establish a zone of rate freedom and individual fares for passenger stage service to increase and decrease some fares between points in authorized service area and Los Angeles International Airport, John Wayne Airport, Burbank Airport and Ontario Airport.

ORIGINAL

Application 91-07-009 (Filed July 9, 1991; amended November 20, 1991)

O P I N I O N

The caption in this application names Golden Star Airport Shuttle as the party applying to modify the fares. Esfandiar Habibi, Firooz Ehteshamzadeh, and Amir Aréf, a partnership, doing business as Golden Star Airport Shuttle (Applicant), filed an amendment on November 20, 1991 showing that they are the true parties in this application.

Applicant is a passenger stage corporation (PSC-5929), who requests authority to establish a zone of rate freedom (ZORF) under Public Utilities (PU) Code § 454.2 and to increase certain fares under PU Code § 454.

Applicant provides on-call service between points in Los Angeles, Orange, San Bernardino, and Riverside Counties, on the one hand, and Los Angeles Amtrak Station (LA AMTRAK), Los Angeles and Long Beach Harbors, and the airports of Los Angeles International (LAX), Burbank (BUR), Long Beach (LGB), Ontario (ONT), and John Wayne (SNA), on the other hand.

Applicant's existing fares were set by Decision 90-05-075.

This application proposes to establish a ZORF of; (1) \$5 above (+) and below (-) the present fares that are between \$5 and \$20; (2) \$10 + or - between \$21 - \$50 and (3) \$15 + or - between \$51 - \$100. Each additional passenger in the same party and address would be charged \$7.

The amended application proposes to increase certain of the present fares between 20 to 71% under PU Code § 454 and a ZORF of \$5 above and below the proposed fare increases. These proposed fare increases have not been cost justified. The proposed ZORF on the other hand, does not qualify under PU Code § 454.2 as the proposed fare increases have yet to be exposed to competitive forces. Moreover, the proposed ZORF in the initial application can be applied to the proposed fare increases and ZORF indicated in the amendment that would amount to an unreasonable and unjustifiable fare structure.

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

When implemented, the proposed ZORF may conflict with PU Code § 460. Applicant should be allowed to deviate from the long- and short-haul provisions of PU Code § 460.

Findings of Fact

1. Applicant is a passenger stage corporation operating on-call service between points in Los Angeles, Orange, San Bernardino, and Riverside Counties, on the one hand, and LA Amtrak, Los Angeles and Long Beach harbors, and LAX, BUR, LGB, ONT and SNA, on the other hand.

2. Applicant requests authority to establish a ZORF as proposed in its application and increase certain fares, as amended. The proposed fare increases as requested in the amended application are not cost justified as required under PUC Code § 454. The ZORF proposed in the amended application would result in unreasonable and unjustifiable fare increases.

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

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

5. Notice of the filing of this application, as amended, appeared on the Commission's Daily Transportation Calendar on July 15, and December 13, 1991. No protests to the application have been filed.

Conclusions of Law

1. The initial application for ZORF should be granted.

2. The amended application, filed on November 20, 1991, to increase fares and to establish a ZORF should be denied.

3. A public hearing is not necessary.

4. Before applicant charges fares under the ZORF authorized below, it should give this Commission 10 days' notice.

5. The filing of ZORF fares should be accompanied by a tariff amendment showing between each service point and the airport the high and low ends of the ZORF and the then currently effective rate.

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

O R D E R

IT IS ORDERED that:

1. Esfandiar Habibi, Firooz Ehteshamzadeh, and Amir Aref, a partnership, doing business as Golden Star Airport Shuttle (Applicant), are authorized under Public Utilities (PU) Code § 454.2 to establish fares within a zone of rate freedom (ZORF) as requested in the initial application. 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 initial 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, applicants 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 initial application is granted as set forth above.

7. The amended application filed on November 20, 1991 to increase fares and to establish a ZORF is denied.

This order is effective today.

Dated July 1, 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