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Decision 92 10 016 OCT 06 1992.

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Sacramento Metro Shuttle (PSC 1438) to redefine its zones and establish a Zone of Rate Freedom and individual fares for passenger stage service between zones in authorized service territory and Sacramento Metropolitan Airport.

ORIGINAL
Application 92-06-036
(Filed June 29, 1992)

O P I N I O N

Gary Claire and Harland Compton, doing business as Sacramento Metro Shuttle (applicants), request authority to establish a zone of rate freedom (ZORF) under Public Utilities (PU) Code § 454.2 between points within their authorized service area, and to deviate from the long- and short-haul provisions of PU Code § 460.

Applicants also request authority to re-define fare zones to correspond with changing demography of the authorized service area.

Applicants conduct operations as a passenger stage corporation for the transportation of passengers and their baggage between Sacramento Metropolitan Airport and surrounding communities (Decision 87-04-018).

Applicants seek a ZORF authority of minus(-) \$2.00 and a plus(+) \$10.00 of their current rates, alleging that the proposed charges are reasonable and are required to allow applicants to adjust their rates to meet competitors' fares.

Notice of this application appeared in the Commission's Daily Transportation Calendar of July 3, 1992 and no protests have been received. Transportation Division recommends ex parte handling in the absence of protest.

Findings of Fact

1. Demographic changes have occurred in the Sacramento service area since 1987.
2. Applicants are operating in competition with other substantially similar passenger stage transportation services.
3. Applicants request authority to establish a ZORF of minus(-) \$2.00 and a plus(+) \$10.00 of current rates.
4. The competitive transportation services will result in reasonable rates when considered with the ZORF authorized below.
5. The granting of an exemption from the long- and short-haul provisions of PU Code § 460 is appropriate in this case.
6. Notice of the filing of the application appeared in the Daily Transportation Calendar on July 3, 1992.
7. No protests have been received.

Conclusions of Law

1. The application should be granted.
2. Before applicants charge rates under the 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 currently effective rate.
4. No rate should be reduced to zero by application of the ZORF.
5. In order to make the proposed rate changes available as soon as possible, the following order should be effective immediately.
6. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Gary Claire and Harland Compton, doing business as Sacramento Metro Shuttle (applicants), may set rates within a zone of rate freedom (ZORF) between the lower limit

of the ZORF as the minimum fares and the upper limit of the ZORF as the maximum fares.

2. Applicants may re-define fare zones within the authorized service area.

3. 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.

4. 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 rates and the rate to be charged.

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

6. In addition to posting and filing proposed tariff changes, applicants shall post notices explaining rate changes in their terminals and passenger-carrying vehicles. The notices shall be posted at least 5 days before the effective date of the rate changes and shall remain posted for at least 30 days.

7. The application is granted as set forth above.

This order is effective today.

Dated OCT 06 1992, at San Francisco, California.

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

THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY

[Handwritten signatures and initials over a circular stamp]
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