

ORIGINAL

Decision 83 09 049 SEP 7 1983

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application)
of LUIS LIMO CHARTER for additional)
service for the public to operate)
stage coach service between Glendale,)
Burbank, Montrose, La Canada, and)
Flintridge, to Pasadena-Burbank-)
Glendale Airport, Los Angeles Inter-)
national Airport and vice versa. 1/)

Application 83-03-86
(Filed March 31, 1983;
amended May 25, 1983)

O P I N I O N

Applicant Luis Limo, an individual, doing business as Luis Limo Charter, seeks a certificate of public convenience and necessity to expand his operations as a passenger stage corporation as defined in Public Utilities (PU) Code Section 226.

Applicant held interim passenger stage authority to conduct round-trip sightseeing tour operations. By Decision 83-05-108 dated May 18, 1983 the Commission revoked the interim authorities granted to sightseeing tour operators, including applicant.

Applicant proposes to provide on-call, door-to-door passenger service from homes, hotels, and motels in Glendale, Burbank, Montrose, and La Canada-Flintridge to Los Angeles International Airport (LAX) or to Burbank-Glendale-Pasadena Airport (BUR). Passengers would be transported over the most direct route to either airport. The service would be available seven days per week between the hours of 6 a.m. and 9 p.m. Passengers will be required to make reservations four hours in advance of their trips.

1/ In his amendment, applicant requests use of this text in the caption, which shows the expanded scope of his proposed operations. The title box on the amendment does not contain this change in text.

Notice of the filing of the application for authority to provide service to LAX appeared in the Daily Transportation Calendar of April 12, 1983. Notice of the amendment which provides for service to BUR appeared in the Daily Transportation Calendar of June 1, 1983. No protests were received.

Applicant proposes to use two 1975 Dodge vans for his initial operations. Each van has a capacity of 15 passengers including the driver. If he needs additional equipment he would either purchase it or make interim arrangements to obtain equipment from other certificated carriers. Applicant worked as a driver for the Holiday Inn in Glendale for 1½ years between 1979 and 1981. Applicant now holds charter-party authority under TCP-1386-P.

Applicant alleges that (a) he will provide a specialized airport service which will not interfere with or duplicate the route of any other carrier providing similar services; (b) the need for his proposed service justifies granting his requested certificate; and (c) use of his service will improve air quality by reducing the number of private vehicles on roads.

Applicant's proposed fares as modified in his correspondence to the Commission (Exhibit 1) are as follows:

1. For Service to LAX

- a. \$18 for an individual.
- b. \$12 for an individual picked up at the Holiday Inn in Glendale.
- c. \$4 for each additional person in a group.
- d. No charge for children 10 years of age and under.

A 12.5% surcharge is added to these fares for trips from LAX to applicant's pickup area.

2. For Service to BUR

- a. \$9 for an individual.
- b. \$6 for an individual picked up at the Holiday Inn in Glendale.
- c. \$2 for each additional person in a group.
- d. No charge for children 10 years of age and under.

Applicant contends that reduced fares from the Holiday Inn in Glendale are justified. The owner-operator of the Holiday Inn has agreed to permit public parking on his lot for users of applicant's service. If a guest of the inn or an individual in the area wanted service from the inn he could benefit from the reduced rate. This reduction would be especially advantageous to residents of north Glendale. People who could not or would not drive to the inn should pay applicant's proposed rates for service to their residences.

As of February 28, 1983 applicant's assets totaled \$8,100 including \$600 in cash, \$7,000 in motor vehicle equipment, and \$500 in other equipment. Applicant's liabilities totaled \$1,700 in short-term contracts payable. His net worth is \$6,400. Applicant estimates annual revenues^{2/} of \$180,180 on his proposed routes. His estimate of operating expenses on both routes is \$70,070, leaving pretax net revenues of \$110,110. His estimates of income taxes and after tax net revenues are \$38,538 and \$71,572. respectively.

Discussion

The Holiday Inn is located near entrances to the Ventura Freeway, east of the interchange of the Ventura and Golden State freeways. Applicant would use these freeways in providing airport shuttle service. Applicant estimates that

^{2/} These estimates do not consider the revenue surcharge from LAX, which would offset an airport tax.

approximately one-half of his passengers would be transported from the Holiday Inn and the remaining passengers would be picked up at their homes. Use of a central pickup point close to the freeway network should enable applicant to realize economies in his operations. The proposed fare differentials are not unreasonably discriminatory and should be authorized.

Findings of Fact

1. Applicant requests a certificate of public convenience and necessity to operate as a passenger stage corporation. Applicant possesses the equipment, the financial resources, and the ability to operate the proposed service.

2. Applicant proposes to provide a needed on-call door-to-door passenger stage service between Glendale, Burbank, Montrose and La Canada-Flintridge to either LAX or BUR.

3. The Holiday Inn in Glendale is a central pickup point which will provide parking space for applicant's passengers. The inn is near freeways which applicant will use to provide airport transportation.

4. The revised fares proposed in Exhibit 1 contain discounts for service between the Holiday Inn in Glendale and the airports.

5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusions of Law

1. Applicant has demonstrated public convenience and necessity for establishing the proposed service.

2. The lower rates proposed for service from the Holiday Inn in Glendale are reasonable.

3. The effective date of this order should be the date of signature in order that applicant may begin operation of a needed service as soon as possible.

4. A public hearing is not necessary.

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.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Luis Limo, authorizing him to operate as a passenger stage corporation, as defined in PU Code Section 226, between the points and over the routes set forth in Appendix PSC-1311, 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 his 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 79, 98, 101, and 104, and the California Highway Patrol safety rules.

- e. Maintain accounting records in conformity with the Uniform System of Accounts.

3. This certificate does not authorize the holder to conduct any operations on the property of or into any airport unless such operation is authorized both by this Commission and by the airport authority involved.

This order is effective today.

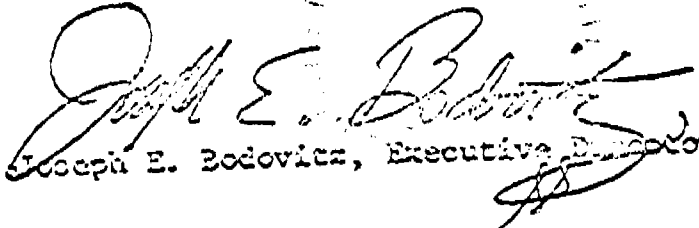
Dated SEP 7 1983, at San Francisco, California.

Commissioner William T. Bagley
being necessarily absent, did
not participate.

LEONARD M. GRIMES, JR.
President

VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
Commissioners

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


Joseph E. Bodovitz, Executive Director

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION
PSC - 1311

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

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.

Issued under authority of Decision 83 09 049, dated
SEP 7 1983, of the Public Utilities Commission of the
State of California in Application 83-03-86.

I N D E X

	<u>Page</u>
SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS.....	2
SECTION 2. ROUTE DESCRIPTIONS.....	3

Issued by California Public Utilities Commission.

Decision 83 99 049, Application 83-03-86.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS.

Luis Limo, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to operate as a passenger stage corporation to transport passengers and baggage over and along the routes described, subject, however, to the authority of this Commission to change or modify the routes at any time and subject to the following provisions:

- a. Motor vehicles may be turned at termini and intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections, in accordance with local traffic regulations.
- b. When route descriptions are given in one direction, they apply to operation in either direction unless otherwise indicated.
- c. The service performed may be on an on-call basis. 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.
- d. This certificate does not authorize the holder to conduct any operations on the property of or into any airport unless such operation is authorized by the airport authority involved.
- e. No passenger shall be transported except those having point of origin or destination at Los Angeles International Airport (LAX) or Burbank-Glendale-Pasadena Airport (BUR).

Issued by California Public Utilities Commission.

Decision 83 09 049, Application 83-03-86.

T/rr

Appendix PSC-1311

LUIS LIMO

Original Page 3

SECTION 3. ROUTE DESCRIPTIONS.

Commencing at any point in the cities of Glendale, Burbank, La Canada-Flintridge and the community of Montrose, then via the most convenient streets and highways to LAX or BUR.

Issued by California Public Utilities Commission.

Decision 83 99 043, Application 83-03-86.