

MAR 14 1996

Decision 96-03-007 March 13, 1996

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SuperShuttle of San Francisco, Inc. (PSC-1298) for authority to provide on-call, door-to-door passenger stage service between Sacramento Metropolitan Airport (SMA), on the one hand, and points and places in the Counties of Sacramento, Sutter, Butte, Placer, El Dorado, San Joaquin, Yolo, Yuba, Nevada and Solano, on the other hand, and to establish Zones of Rate Freedom for such service.

ORIGINAL

Application 95-06-015  
(Filed June 5, 1995)

John Downey, Judy Robinson, and Ray McIntyre; and Goodin, MacBride, Squeri, Schlotz & Ritchie, by Thomas J. MacBride, Jr., Attorney at Law, for SuperShuttle of San Francisco, Inc., applicant.

Shirley T. Carlson, Steven M. Basha and Laura Gipson, for County of Sacramento and the Sacramento Metropolitan Airport; Renato P. Abenojar, for Aero Shuttle; Willy Calub, for California Aero Trans; Bobby R. Prater, for Gold Dust Airport Shuttle; and Satish S. Saini and Sanjit S. Taunk, for Valley Airport Service; interested parties.

Carol Dumond, Attorney at Law, and Geoffrey W. Meloche, for the Commission Safety & Enforcement Division.

O P I N I O N

This decision denies the petition by SuperShuttle of San Francisco, Inc. (SuperShuttle) to modify Decision (D.) 95-10-017 so as to grant SuperShuttle permanent authority to provide passenger stage service to Sacramento Metropolitan Airport (SMA). Instead, this decision modifies D.95-10-017 to extend SuperShuttle's interim

authority to provide service to SMA until a decision is issued on the matters ordered heard by D.95-10-017.

Background

On June 5, 1995, SuperShuttle filed Application 95-06-015 to amend its operating authority PSC-1298 to allow SuperShuttle to provide service between SMA and points in the counties of Sacramento, Sutter, Butte, Placer, El Dorado, San Joaquin, Yolo, Yuba, Nevada, and Solano. The application also requested authority to establish a Zone of Rate Freedom (ZORF) for service to SMA pursuant to Section 454.2 of the California Public Utilities Code.

On October 5, 1995, we issued D.95-10-017. In this decision, we expressed our concern that the exclusive airport privileges conferred upon SuperShuttle by the contract between SuperShuttle and SMA (the SMA agreement) could unfairly restrict the operations of other passenger stage corporations (PSCs). We found that SuperShuttle's privileges might degrade service by dissuading competing PSCs from serving SMA. We also stated that if SuperShuttle were to become the only viable PSC at SMA as a result of its exclusive privileges, it may not face the level of competition contemplated in Section 454.2 for the successful operation of a ZORF.

Due to our concern with the SMA agreement, D.95-10-017 limited SuperShuttle's authority to operate to 180 days pending hearings on the effects of the SMA agreement on competition, rates, and service. These hearings were held on January 29-30, 1996.

SuperShuttle's Request

On January 11, 1996, SuperShuttle filed a petition to modify D.95-10-017 by deleting Ordering Paragraph No. 2 of that

decision.<sup>1</sup> By their petition, SuperShuttle seeks to provide service to SMA on a permanent basis. SuperShuttle believes that its fitness to obtain the same permanent authority as other PSCs should not turn on the resolution of issues raised by the SMA agreement. In addition, SuperShuttle believes its interim authority will expire before the Commission can act on the matters it ordered to be heard in D.95-10-017. Currently, SuperShuttle's authority to operate will terminate on or about April 4, 1996. Since the hearings ordered in D.95-10-017 were held in January 1996, SuperShuttle believes that a final Commission decision is unlikely before Summer 1996, or several months after SuperShuttle would be required to cease its service to SMA. Deleting Ordering Paragraph No. 2 would allow SuperShuttle to provide service to SMA while the Commission decides on the issues raised by the SMA agreement.

No protests to SuperShuttle's petition were received.

Discussion

In D.95-10-017, we stated our intention to withhold permanent authority from SuperShuttle until we held hearings on the possible effects on competition, rates, and service arising from the exclusive privileges conferred upon SuperShuttle by SMA. Our concerns about the exclusive privileges granted to SuperShuttle by SMA have not changed since we issued D.95-10-017. We intend to decide on SuperShuttle's permanent authority when we issue our decision on the matters we ordered heard in D.95-10-017. We therefore deny SuperShuttle's petition to obtain permanent authority before then by deleting Ordering Paragraph No. 2 from D.95-10-017.

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<sup>1</sup> Ordering Paragraph No. 2 presently reads as follows:

"2. First Revised Pages 4 and 5 shall expire 180 days from the date they become effective."

SuperShuttle is correct that its interim authority is likely to expire prior to our having decided the issues we ordered heard in D.95-10-017. We did not intend for this to happen. Accordingly, we will modify Ordering Paragraph No. 2 of D.95-10-017, as set forth below, to extend SuperShuttle's interim authority until a decision is issued on the issues arising from the SMA agreement.

Findings of Fact

1. The Commission determined in D.95-10-017 that the exclusive privileges conferred upon SuperShuttle by the SMA agreement may have rate and service implications.
2. The Commission ordered hearings in D.95-10-017 regarding the impact on rates and service resulting from SuperShuttle's agreement with SMA.
3. SuperShuttle was granted authority to provide service to SMA for 180 days pending the outcome of the hearings ordered by the Commission in D.95-10-017.
4. SuperShuttle's authority is likely to expire prior to when a decision is issued on the matters ordered to be heard in D.95-10-017.

Conclusions of Law

1. SuperShuttle's petition to modify D.95-10-017 should be denied.
2. D.95-10-017 should be modified to extend SuperShuttle's interim authority until the Commission has decided on the issues ordered to be heard by D.95-10-017.

ORDER

IT IS ORDERED that:

1. Ordering Paragraph 2 of Decision (D.) 95-10-017 is modified to read as follows:

"2. First Revised Pages 4 and 5 shall remain effective on an interim basis pending a Commission decision on the issues ordered to be heard herein."

2. SuperShuttle's Petition for Modification of D.95-10-017 is denied.

This order is effective today.

Dated March 13, 1996, at San Francisco, California.

DANIEL Wm. FESSLER  
President  
P. GREGORY CONLON  
JESSIE J. KNIGHT, JR.  
HENRY M. DUQUE  
JOSIAH L. NEEPER  
Commissioners