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Decision 98-01-045 January 21, 1998

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Airway Shuttle, Inc. for authority to operate as an "on call" passenger stage corporation between points in Contra Costa, Alameda, Santa Clara, and Solano Counties and the San Francisco, Oakland and San Jose International Airports, and to establish a zone of rate freedom.

ORIGINAL

Application 97-07-011
(Filed July 1, 1997)

OPINION

Airway Shuttle, Inc. (applicant), a corporation, requests authority pursuant to Public Utilities (PU) Code § 1031, et seq., to establish and operate as an on-call passenger stage corporation to transport passengers and their baggage between points in the Counties of Contra Costa, Alameda, Santa Clara, and Solano, on the one hand, and San Francisco (SFO), Oakland (OAK), San Jose (SJC) International Airports, on the other hand. Applicant also requests authority to establish a Zone of Rate Freedom (ZORF) pursuant to PU Code § 454.2

Applicant proposes to perform an on-call service, 24-hours per day, 7 days a week. In its letter of September 18, applicant has added 2 additional vehicles - a fifteen-passenger and seven-passenger vans - to its present fleet of 3 seven-passenger vans. In the letter, applicant also said that it will reduce its service area that will exclude Santa Clara County. The proposed one-way adult fares are shown in Exhibit C of the application that varies between \$17 - between San Leandro and OAK, and \$71 - between Dixon and SFO. The proposed fares are reasonable.

Applicant requests authority to establish the ZORF of \$8 and \$12 above and below its proposed fares that are below \$21 and above \$21, respectively, as shown in Exhibit C, attached to the application. The minimum one-way adult fare shall not be less than \$5.

The staff is of the opinion that the establishment of the ZORF is fair and reasonable.

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

Exhibit E, attached to the application, is the Balance Sheet, as of December 31, 1996. It shows total assets in the amount of \$49,933, total liabilities in the amount of \$47,935 and retained earnings or net capital in the amount of \$1,998.

Notice of filing of the application appeared in the Commission's Daily Calendar of July 15, 1997. No protest has been received. The applicant notified the affected airports, cities, and governmental entities. The Rail Safety and Carriers Division recommends that the application be granted.

Findings of Fact

1. Applicant requests authority to establish and operate as an on-call passenger stage corporation to transport passengers and their baggage between the Counties of Contra Costa, Alameda, and Solano, on the one hand, and SFO, OAK, SJC, International Airports, on the other hand, as amended by its letter dated September 18, 1997.

2. Public convenience and necessity require the issuance of a certificate to perform the proposed service.

3. Applicant requests authority to establish the ZORF of \$8 and \$12 above and below its proposed fares that are below \$21 and above \$21, respectively, as shown in Exhibit C, attached to the application. The minimum one-way adult fare shall not be less than \$5. The ZORF is fair and reasonable.

4. Applicant will compete with passenger stage corporations, taxi cabs, limousines, buses, and automobiles in its operations.

5. No protests to the application have been filed.

6. 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. A public hearing is not necessary.

2. Public convenience and necessity have been demonstrated and the application should be granted.

3. The request for the ZORF should be granted.

4. Before applicant changes fare under the ZORF authorized below, applicant should give this Commission 10 days' notice.

5. The filing of ZORF fares should be shown in the tariff showing between each service point the high and low ends of the ZORF and the then currently effective fare.

6. Since there is no formal objection filed with the Commission to the application, this decision should be effective on the date it is signed.

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.

ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Airway Shuttle, Inc. (applicant), a corporation, authorizing it to operate as a passenger stage corporation, as defined in Public Utilities (PU) Code § 226, to transport persons and their baggage, between the points and over the route set forth in Appendix PSC-9359 subject to the conditions contained in the following paragraphs.

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 the 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 101, 104, and 158 and the California Highway Patrol (CHP) safety rules.

- e. Comply with the controlled substance and alcohol testing certification program pursuant to PU Code § 1032.1 and General Order Series 158.
- f. Maintain accounting records in conformity with the Uniform System of Accounts.
- g. Remit to the Commission the Transportation Reimbursement Fee required by PU § 403 when notified by mail to do so.
- h. Comply with PU Code §§ 460.7 and 1043, relating to the Workers' Compensation laws of this state.
- i. Enroll all drivers in the pull notice system as required by Section 1808.1 of the Vehicle Code.

3. Before beginning service to any airport, applicant shall notify the airport's governing body. Applicant shall not operate into or on airport property unless such operations are also authorized by the airport's governing body.

4. Applicant is authorized to begin operations on the date that the Executive Director mails a notice to applicant that his evidence of insurance is on file with the Commission and that the CHP has approved the use of applicant's vehicles for service.

5. Applicant is authorized under PU Code § 454.2 to establish the Zone of Rate Freedom (ZORF) fares of \$8 and \$12 above and below its proposed fares, as shown in Exhibit C, attached to the application, that are below \$21 and above \$21, respectively. The minimum fare shall not be less than \$5 one-way.

6. 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 120 days after the effective date of this order.

7. 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 between each service points the authorized maximum and minimum fares and the fare to be charged.

8. 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.

9. The application is granted, as amended by letter dated September 18, 1997.

10. This application is closed.

This order is effective today.

Dated January 21, 1998, at San Francisco, California.

P. GREGORY CONLON
President

JESSIE J. KNIGHT, JR.

HENRY M. DUQUE

JOSIAH L. NEEPER

RICHARD A. BILAS

Commissioners

T/MM

Appendix PSC-9359

Airway Shuttle, Inc.
(a corporation)

Original Title Page

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION
PSC-9359

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 98-01-045, dated January 21, 1998, of the Public
Utilities Commission of the State of California in Application 97-07-011.

T/MM

Appendix PSC-9359

Airway Shuttle, Inc.
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Issued by California Public Utilities Commission.

Decision 98-01-045, Application 97-07-011.

**SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS.**

Airway Shuttle, Inc., a corporation, by the certificate of public convenience and necessity granted by the decision noted in the foot of the margin, is authorized to transport passengers and their baggage on an "on-call" basis, between points and places as described in Section IIA, and the airports described in Section IIB, over and along the route described in Section III, subject, however, to the authority of this Commission to change or modify this authority at any time and subject to the following provisions:

- a. When route description is given in one direction, they apply to operation in either direction unless otherwise indicated.
- b. 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.
- c. No passengers shall be transported except those having a point of origin or destination as described in Section IIB.
- d. This certificate does not authorize the holder to conduct any operation on the property of or into any airport unless such operation is authorized by the airport authority involved.

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Decision 98-01-045, Application 97-07-011.

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SECTION II. SERVICE AREA.

- A. Within the geographical limits of the Counties of Contra Costa, Alameda, and Solano.
- B. San Francisco International Airport.
Oakland International Airport.
San Jose International Airport.

SECTION III. ROUTE DESCRIPTION.

Commencing from any point as described in Section IIA, then over the most convenient streets, expressways, and highways to any of the airports described in Section IIB.

Issued by California Public Utilities Commission.

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