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Decision 98-03-056 March 26, 1998

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Eissa Hassan Mohammed, Ahmed Mohamed Zarroug, Kmel Sadek Bashir and Mowafi Mohamed Ginawi, a partnership, dba International Shuttle, for Authority to Establish a Zone of Rate Freedom for Passenger Stage Corporation Service.

Application 97-10-008
(Filed October 1, 1997)

OPINION

Summary

Eissa Hassan Mohammed, Ahmed Mohamed Zarroug, Kmel Sadek Bashir, and Mowafi Mohamed Ginawi, a partnership (applicant), doing business as International Shuttle, requests authority to establish a Zone of Rate Freedom (ZORF) between its authorized service points pursuant to Public Utilities (PU) Code § 454.2 and relief from the long- and short-haul provisions of PU Code §§ 460 and 461.5.

Discussion

Applicant is authorized by Decision 97-11-009 to operate as an "on-call" passenger stage corporation (PSC-11381) between the cities of Alameda, Albany, San Leandro, San Lorenzo, Pleasanton, Dublin, Oakland, Piedmont, Berkeley, Emeryville, Walnut Creek, Concord, Hayward, San Francisco, Danville, and Livermore, on the one hand, and the Oakland International Airport (OAK), on the other hand.

Applicant requests authority to establish a ZORF of 100% above and 10% below its present adult one-way fares as published in its Local Passenger Tariff No.1, CA PUC 1. The present fares range from \$\$ (Alameda-OAK) to \$22 (Livermore-OAK). Applicant, in its filed amendment to the application of December 29, 1997, illustrated its request for relief from the long- and short-haul provisions of PU Code §§ 460 and 461.5. The applicant has structured its present fares by cities. For example, the fare between the city of Oakland and OAK is \$11. The fare between the cities of

Emeryville, San Leandro, and Piedmont and OAK is \$12. Certain areas of the city of Oakland are farther from OAK than are certain areas of Emeryville, San Leandro, and Piedmont, but the Oakland fare is lower.

Without relief from the long- and short-haul provisions, applicant will be in violation of PU Code §§ 460 and 461.5. The request should be granted. Applicant competes with other passenger stage corporations, taxi cabs, limousines, buses, public transit, and automobiles in its service area. The staff is of the opinion that the establishment of the ZORF of 100% above and 10% below its present adult one-way fares is fair and reasonable. Applicant's present fares are generally at the lower end of the scale of fares charged by competing carriers, and between certain points are less than half the fares of one of its competitors.

Notice of filing of the application appeared in the Commission's Daily Calendar on October 10, 1997. No protest has been received. Applicant has notified the affected cities, governmental agencies, and OAK. The staff recommends that the application be granted.

Findings of Fact

1. Applicant is authorized to operate as an "on-call" passenger stage corporation, PSC-11381, between the cities of Alameda, Albany, San Leandro, San Lorenzo, Pleasanton, Dublin, Oakland, Piedmont, Berkeley, Emeryville, Walnut Creek, Concord, Hayward, San Francisco, Danville, and Livermore, on the one hand, and OAK, on the other hand.

2. Applicant requests authority to establish a ZORF of 100% above and 10% below its present adult one-way fares, as published in its Local Passenger Tariff No. 1, CA PUC 1. The ZORF is fair and reasonable.

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

4. Applicant has requested relief from the long- and short-haul provisions of PU Code §§ 460 and 461.5. The present city-based fare structure can result in the closer of two points to OAK being subject to a higher fare. The request should be granted.

5. No protests to the application have been filed.

Conclusions of Law

1. The application for a ZORF of 100% above and 10% below its authorized fares as published and filed with this Commission should be granted.
2. The applicant's request for relief from the long- and short-haul provisions of PU Code §§ 460 and 461.5 should be granted.
3. Before applicant changes fares under the ZORF authorized below, applicant should give this Commission 10 days' notice.
4. The filing of ZORF fares should be accompanied by a tariff amendment showing between each service point the high and low ends of the ZORF and the then currently effective fare.
5. In order to make the proposed fare changes available as soon as possible, the following order should be effective on the date of this decision.

ORDER

IT IS ORDERED that:

1. Eissa Hassan Mohammed, Ahmed Mohamed Zarroug, Kmel Sadek Bashir, and Mowafi Mohamed Ginawi (applicant), a partnership, is authorized under Public Utilities (PU) Code § 454.2 to establish a Zone of Rate Freedom (ZORF) fares of 100% above and 10% below their present authorized fares, published in their Local Passenger Tariff No. 1 and filed with this Commission.
2. 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 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 between each service points the authorized maximum and minimum fares and the fare to be charged.

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4. 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 five days before the effective date of the fare changes and shall remain posted for at least 30 days.

5. The request for relief from the long- and short-haul provisions of PU Code §§ 460 and 461.5 is granted.

6. The application is granted as set forth above.

7. Application 97-10-008 is closed.

This order is effective today.

Dated March 26, 1998, at San Francisco, California.

RICHARD A. BILAS
President
P. GREGORY CONLON
JESSIE J. KNIGHT, JR.
HENRY M. DUQUE
JOSIAH L. NEEPER
Commissioners