

Decision 00-06-018 June 8, 2000

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Smart Shuttle, Inc. for certificate of public convenience and necessity to operate as a passenger stage corporation between points in Los Angeles and Orange Counties and Los Angeles International Airport (LAX) and to establish a zone of rate freedom.

Application 00-01-020
(Filed January 18, 2000;
amended March 9, 2000)

OPINION**Summary**

This decision grants the application, as amended, of Smart Shuttle, Inc. (Applicant), a corporation, pursuant to Pub. Util. Code § 1031 et seq., for a certificate of public convenience and necessity to operate as a passenger stage corporation (PSC), as defined in the Pub. Util. Code § 226 and to establish a Zone of Rate Freedom (ZORF) pursuant to Pub. Util. Code § 454.2.

Discussion

The application was initially filed by CDSNet, Inc. The amendment to the application substitutes Smart Shuttle, Inc., as the Applicant.

Applicant requests authority, as amended, to operate as an on-call PSC to transport passengers and their baggage between points in Los Angeles and Orange Counties, on the one hand, and Los Angeles International Airport (LAX), on the other hand. Applicant proposes to utilize an eight-passenger van to start the service. The proposed fares shown in Exhibit B attached to the amended application, range between \$17.50 (Gardena - LAX) and \$42 (Yorba Linda- LAX).

Amended Exhibit E to the application sent by FAX on April 19, is the unaudited Balance Sheet as of March 31, 1999, that discloses total assets of \$582,653; total liabilities of \$84,460; and total equity of \$498,193.

Applicant also requests authority to establish a ZORF of \$10 above and below the proposed fares shown in Exhibit B to the amended application. The minimum adult one-way fare is \$5. Applicant will compete with other PSCs, taxi cabs, limousines, buses, and automobiles in its service area. The establishment of the ZORF is fair and reasonable.

Notice of filing of the application, as amended, appeared in the Commission's Daily Calendar on January 21, 2000, and March 15, 2000. Applicant notified the affected transit districts, LAX, and cities. Applicant requests a waiver from the provisions of Rule 21 of the Commission's Rules of Practice and Procedure which require service of a notice of the application on all city and county officials within whose boundaries the passengers will be loaded or unloaded. Applicant said that all parties that have an interest in Commission proceedings subscribe to or have access to the Commission's Daily Calendar. We shall exercise the discretion accorded to us by Rule 87 and grant the waiver requested by Applicant because it will be providing on-call service, not scheduled service.

In Resolution ALJ 176-3032 dated February 3, 2000, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protests have been received. Given this status, public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ 176-3032.

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to the Pub. Util. Code § 311 (g)(2), the

otherwise applicable 30-day period for public review and comment is being waived.

Findings of Fact

1. Applicant requests authority, as amended, to operate as an on-call PSC to transport passengers and their baggage between points in Los Angeles and Orange counties, on the one hand, and LAX, on the other hand.

2. Public convenience and necessity requires the proposed service.

3. Applicant requests authority to establish a ZORF of \$10 above and below the proposed fares shown in Exhibit B to the amended application. The minimum adult one-way fare is \$5.

4. Applicant will compete with PSCs, taxi cabs, limousines, buses, and automobiles in its operations. The ZORF is fair and reasonable.

5. No protests to the application or to the amendment have been filed.

6. A public hearing is not necessary.

7. 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. Public convenience and necessity have been demonstrated and the application, as amended, should be granted.

2. The request for a ZORF should be granted.

3. Before Applicant changes any fares under the ZORF authorized below, Applicant shall give this Commission at least 10 days' notice. The filing of ZORF fares should be shown in the tariff showing between each pair of service points the high and low ends of the ZORF and the then currently effective fare.

4. Since the matter is uncontested, the 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.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity (CPCN) is granted to Smart Shuttle Inc. (Applicant), a corporation, authorizing it to operate as a passenger stage corporation (PSC), as defined in the Pub. Util. Code § 226, to transport persons and their baggage, between the points and over the route set forth in Appendix PSC-13218 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 the Pub. Util. 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 Pub. Util. Code § 403 when notified by mail to do so.
- h. Comply with Pub. Util. 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. Applicant is authorized under Pub. Util. Code § 454.2 to establish a Zone of Rate Freedom (ZORF) of \$10 above and below the proposed fares shown in Exhibit B to the amended application. The minimum adult one-way fare is \$5.

4. 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.

5. 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 pair of service points the authorized maximum and minimum fares and the fare to be charged.

6. 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.

7. Applicant is authorized to begin operations on the date that the Rail Safety and Carriers Division mails a notice to the Applicant that its evidence of insurance and other documents required by Ordering Paragraph 2 have been filed with the Commission and that the CHP has approved the use of Applicant's vehicles for service.

8. 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 authorized by the airport's governing body.

9. The CPCN to operate as a PSC (PSC-13218), granted herein, expires, unless exercised within 120 days after the effective date of this order.

10. The Application, as amended, is granted as set forth above.

11. This proceeding is closed.

This order is effective today.

Dated June 8, 2000, San Francisco, California.

LORETTA M. LYNCH
President

HENRY M. DUQUE
JOSIAH L. NEEPER
RICHARD A. BILAS
CARL W. WOOD
Commissioners

RSCD/mm

Appendix PSC-13218

Smart Shuttle, Inc.
(a corporation)

Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-13218

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 00-06-018, dated June 6, 2000, of the Public
Utilities Commission of the State of California in Application 00-01-020.

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

Smart 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 airport 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 a route description is given in one direction, it applies 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 any airport unless such operation is authorized by the airport authority involved.

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SECTION II. SERVICE AREA.

- A. Points and places in the counties of Los Angeles and Orange.
- B. Los Angeles 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 the airport described in Section IIB.

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