

Decision 99-10-013 October 7, 1999

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of E & E Airport Shuttle, Inc., a California Corporation, To Acquire the Operating Authority of Luis Limo, an Individual, dba Glendale-La Crescenta Air Van (PSC-1311) and, to request an enlargement of such operating authority to include portions of the San Gabriel & San Fernando Valleys and Selected Points in Los Angeles, Orange, Ventura, San Bernardino and Riverside Counties On The One Hand and Burbank Airport, Ontario Airport and Los Angeles International Airport, Long Beach Airport, AMTRAC and L.A. Harbor, On The Other Hand and Establish A Zone Of Rate Freedom.

Application 99-04-025
(Filed April 22, 1999)

O P I N I O N

Summary

Application of E & E Airport Shuttle, Inc. to acquire control of Glendale-La Crescenta Air Van, enlarge the service territory of the acquiring corporation, and establish a zone of rate freedom, granted.

Discussion

E & E Airport Shuttle, Inc. (Buyer), a California corporation proposes to purchase the operating authority of Luis Limo, dba Glendale-La Crescenta Air Van (Seller) (PSC-1311). Seller presently operates from, the cities and communities of Glendale, Burbank, Montrose, La Crescenta, La Canada, and Flintridge on the one hand and the Los Angeles International Airport (LAX) and

the Burbank-Glendale-Pasadena Airport (BUR) on the other hand. Both scheduled and on-call service may be provided.

Buyer was formed to acquire Seller. Buyer is run by Seller's general manager and his son. The agreed purchase price is \$24,000. Buyer has included a balance sheet showing a net worth of \$29,050, as of February 29 (sic), 1999.

Buyer asks that the service area of the new carrier be enlarged so that service may be provided in the areas known as the San Fernando and San Gabriel Valleys, as well as selected points in Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties on the one hand and LAX, BUR, Ontario Airport (ONT), Long Beach and Los Angeles Harbors (HARBORS) and AMTRAC (LAUPT) on the other hand. A detailed description of these areas is included in the application. Buyer proposes to adopt the fares presently charged by Seller, and has included proposed fares for areas not now being served. Buyer will commence operations with seven 8-passenger vans. Buyer has not sought to join with any concessionaire group to serve LAX, and so will operate to that airport only on a reservation basis.

Buyer also seeks to establish a zone of rate freedom (ZORF). Buyer proposes that this ZORF be \$10 above and below the lowest rate filed upon a grant of this application. Other airport shuttle operators with whom Buyer will compete presently enjoy a ZORF.

This application appeared on the Commission's Daily Calendar of April 27, 1999. There have been no protests.

In Resolution ALJ-3015, dated May 13, 1999, the Commission preliminarily categorized the application as ratesetting and preliminarily determined that a hearing was not necessary. The Commission's Rail Safety and Carriers Division recommends that this application be granted. Given these developments a

public hearing is not necessary and it is not necessary to disturb the preliminary determinations made in Resolution ALJ 176-3015.

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code Sec. 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

Findings of Fact

1. Seller is an individual holding PSC-1311 and operating an airport shuttle operation in the Glendale area of California.
2. Seller wishes to sell this PSC to Buyer.
3. Buyer was general manager of Seller in operating this airport shuttle business.
4. Buyer's net worth exceeds the purchase price of this transaction.
5. Buyer seeks to enlarge the area in which he may operate, and the points to and from which he may take passengers.
6. Buyer seeks to obtain a ZORF at \$10 above and below the rates authorized by this decision.
7. Competitors of Buyer presently have ZORFs.
8. Buyer proposes to operate seven 8-passenger vehicles.
9. Buyer has not joined in any concession agreement with LAX and will serve that airport on a reservation basis only.
10. There have been no protests to this application.

Conclusions of Law

1. Buyer has the financial ability and experience to operate the airport shuttle business proposed in this application.
2. Buyer's proposed service area, points of operation, and proposed service appear reasonable.

3. Buyers proposed ZORF appears reasonable.
4. The application should be granted.

O R D E R

IT IS ORDERED that:

1. Within 120 days from the effective date of this decision, Luis Limo (Seller), an individual, may transfer the operative rights specified in the application to E & E Airport Shuttle, Inc. (Buyer), a California corporation.

2. Buyer is authorized to extend the certificate of public convenience and necessity to operate as a passenger stage corporation, as defined in Pub. Util. Code § 226, to transport persons and their baggage, between the points and over the routes set forth in Appendix PSC-12563, subject to the conditions contained in the following paragraphs.

3. Buyer shall:

- a. File a written acceptance of the transfer certificate and the extended certificate within 30 days after this order is effective.
- b. Amend or reissue Sellers' tariffs and timetables, state in them when the service will start, make them effective 10 or more days after this order is effective, and allow at least 10 days' notice to the Commission.
- c. Comply with General Orders Series 101, 104, and 158, and the California Highway Patrol (CHP) safety rules.
- d. Comply with the controlled substance and alcohol testing certification program pursuant to Pub. Util. Code § 1032.1 and General Order Series 158.
- e. Maintain accounting records in conformity with the Uniform System of Accounts.
- f. Remit to the Commission the Transportation Reimbursement Fee required by Pub. Util. Code § 403 when notified by mail to do so.
- g. Comply with Pub. Util. Code § 460.7 and 1043, relating to the Workers' Compensation laws of this state.

h. Enroll all drivers in the pull notice system as required by Section 1808.1 of the Vehicle Code.

4. If the sale is completed, on the effective date of the tariff a certificate of public convenience and necessity is granted to Buyer, authorizing it to operate as a passenger stage corporation, as defined in Pub. Util. Code § 226, between the points and over the routes set forth in Appendix PSC-12563, to transport persons and their baggage.

5. The certificate of public convenience and necessity granted to Seller by D.83-09-049 is revoked on the effective date of the tariffs filed by the Buyer.

6. Buyer is authorized under Pub. Util. Code § 454.2 to establish a Zone of Rate Freedom (ZORF) of \$10 above and below the fares shown in Exhibit D, attached to the application.

7. Buyer shall file a ZORF tariff 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.

8. Buyer 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.

9. In addition to posting and filing tariffs, Buyer shall post notices explaining fare changes in his 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.

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

11. Buyer is authorized to begin operations on the date that the Rail Safety and Carriers Division mails a notice to the Buyer 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 Buyer's vehicle for service.

12. The certificate of public convenience and necessity to operate as a passenger stage corporation (PSC-12563), granted herein to the Buyer, expires, unless exercised within 120 days after the effective date of this order.

13. The application, as amended by letters of June 28 and July 19, 1999, is granted as set forth above.

14. This proceeding is closed.

This order is effective today.

Dated October 7, 1999, at Los Angeles, California.

RICHARD A. BILAS
President
HENRY M. DUQUE
JOSIAH L. NEEPER
JOEL Z. HYATT
CARL W. WOOD
Commissioners

RSCD/mm

Appendix PSC-12563

E & E Airport Shuttle, Inc.
(a corporation)

Original Title Page

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION
PSC-12563

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.

Supersedes the authority heretofore granted
to Luis Limo, an individual, by D.83-09-049, as amended.

Issued under authority of Decision 99-10-013, dated October 7, 1999, of the Public
Utilities Commission of the State of California in Application 99-04-025.

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

This certificate supersedes all passenger stage operative authorities granted to Luis Limo, an individual.

E & E Airport 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 between points and places as described in Section IIA, and the points as 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 or into any airport unless such operation is authorized.

SECTION II. SERVICE AREAS.

A.

1. San Fernando Valley

This area is bounded on the: East by Interstate Highway 5; North by 118 and 210 Freeways; South by Mulholland Highway and West by 23 Freeway.

2. San Gabriel Valley

This area is bounded on the: West by Interstate Highway 5; North by the northern boundaries of the cities or communities of Altadena, Pasadena, Sierra Madre, Monrovia, Bradbury, Duarte, Azusa, Glendora, San Dimas, La Verne and Claremont; East by the Los Angeles County line and South by State Highway 60, Pomona Freeway.

3. Within the geographical limits of the following United States Postal Zip Codes located in the County of Riverside:

90018 91718 91719 91720 92381.

4. Within the geographical limits of the following United States Postal Zip Codes located in the County of San Bernardino:

91350 92392.

5. Within the geographical limits of the following United States Postal Zip Codes located in the County of Ventura:

93001 93002 93003 93004 93010 93011 93012 93015
93016 93017 93018 93019 93020 93021 93022 93023
93060 93061 93062 93063 93064 93065 93066.

SECTION II. SERVICE AREAS (concluded).

6. Within the geographical limits of the following United States Postal Zip Codes located in the County of Orange:

90056	90231	90232	90233	90234	90235	90236	90237
90238	90620	90221	90622	90670	90680	90740	90741
90742	90743	90815	92601	92605	92609	92621	92624
92625	92626	92629	92630	92640	92645	92652	92658
92661	92667	92686	92690	92692	92701	92705	92708
92709	92713	92801	92806.				

7. Within the geographical limits of the following United States Postal Zip Codes located in the County of Los Angeles:

90024	90045	90056	90066	90277	90201	90202	90210
90213	90220	90245	90247	90250	90254	90260	90262
90265	90266	90270	90272	90273	90279	90290	90291
90301	90304	90650	90670	90710	90713	90716	90717
90720	90801	90803	90840	91012	91310	91350	91351
91354	91355	91746	91747	92683	93150	93534.	

B. Los Angeles International Airport. Pasadena-Glendale-Burbank Airport.

Ontario International Airport.

Long Beach and Los Angeles Harbors.

AMTRAK Station, Los Angeles Union Pacific Station.

SECTION III. ROUTE DESCRIPTION.

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