

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Resolution TL-18894
Rail Safety and Carriers Division
June 24, 1999
Page 1

RESOLUTION

**RESOLUTION GRANTING ROSS A. VITALIE, DBA DOOR-TO-DOOR
AIRPORTER SHUTTLE SERVICE, A TEMPORARY FARE INCREASE TO OFFSET
INCREASED FUEL COSTS**

SUMMARY

Ross A. Vitalie (Applicant), dba Door-to-Door Airporter Shuttle Service, is authorized for a 180-day period to increase his fares for on-call shuttle van service to and from Eureka-Arcata Airport.

BACKGROUND

Applicant holds a certificate of public convenience and necessity to operate as an on-call passenger stage corporation (PSC 10974) to transport passengers between Eureka, Arcata, and McKinleyville, on the one hand, and Eureka-Arcata Airport, on the other hand.

By letter to the Rail Safety and Carriers Division (RSCD or Staff), Applicant requests authority to assess an emergency fare surcharge to offset increased fuel costs. Applicant states that the price of gasoline in Humboldt County has reached as high as \$2.06 per gallon, which has caused his company considerable hardship. He further advises that he serves a small airport and frequently transports only 1-3 passengers per flight.

Applicant's current fares range from \$7.50 for one passenger traveling to or from McKinleyville to \$25 for 2-4 passengers traveling to or from College of the Redwoods. He proposes to assess a surcharge of \$1 on fares below \$13 and \$2 on fares \$13 and over. This would result in increases of between 8% and 15%.

DISCUSSION

There is no question that over the last several months the price of fuel has increased significantly in California. Some areas appear to have encountered greater increases than other areas. There are signs that prices are slowly starting to fall. The degree to which this downward trend will continue is uncertain.

RSCD recommends that Applicant's request be granted for a 180-day period. Staff offers that within this period the trend in fuel prices may become clearer. Applicant will be able to decide whether conditions justify making a formal application for a permanent fare increase in accordance with Public Utilities Code Section 454 and/or a Zone of Rate Freedom under Section 454.2.

The Commission finds that Applicant's request is reasonable under the circumstances. We will grant the requested increase for 180 days as recommended by Staff. We will also direct Staff to assist Applicant in evaluating the need for a Zone of Rate Freedom under Section 454.2.

To comply with Public Utilities Code Sec. 311(g), the Rail Safety and Carriers Division commenced publication of a Daily Calendar notice on May 25, 1999 that apprised the public of the availability of its draft of this resolution and solicited submission of comments by June 14, 1999. A copy was mailed to Applicant on May 25, 1999. No comments were received.

THEREFORE, IT IS ORDERED that:

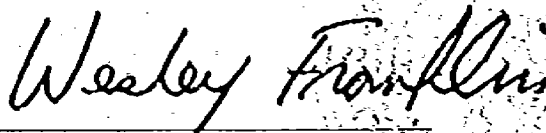
1. Ross A. Vitalie, dba Door-to-Door Airporter Shuttle Service, is authorized to assess a surcharge of not more than \$1 on currently published tariff fares of less than \$13, and not more than \$2 on currently published fares of \$13 or more.
2. A tariff surcharge supplement may be made effective upon one day's notice to the Commission.
3. The tariff filing authorized by this order shall expire December 21, 1999, absent further order by this Commission.
4. Staff of the Rail Safety and Carriers Division is directed to assist Ross A. Vitalie in evaluating the need for a Zone of Rate Freedom under Public Utilities Code Section 454.2.

The Executive Director shall mail a copy of this resolution to:

Ross A. Vitalie
Door-to-Door Airporter Shuttle Service
3622 Middlefield Lane
Eureka, CA 95501

This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted by the Commission at its regularly scheduled meeting on June 24, 1999. The following Commissioners voted favorably thereon:



WESLEY M. FRANKLIN
Executive Director

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