

Decision No. 46623

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SAN DIEGO TRANSIT )	
SYSTEM, a corporation, for a )	
certificate to qualify as a )	
self-insurer under Paragraph 5 )	Application
of General Order No. 101 adopted )	No. 33030
October 2, 1951, and effective )	
January 1, 1952, (Decision No. )	
46269, Case No. 5298). )	
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OPINION AND ORDER

San Diego Transit System, applicant herein, is a passenger stage corporation operating in and about the cities of San Diego, Coronado, National City, Chula Vista, La Mesa and El Cajon. In this application it requests an order authorizing it to act as a self-insurer against liability for the payment of damages, up to \$25,000 for any one accident, for personal bodily injuries, including death resulting therefrom, and for damages to or destruction of property, other than property being transported for any shipper or consignee. Applicant intends to provide excess coverage for amounts in excess of \$25,000 by a policy of insurance issued by Excess Insurance Company in the amount of \$1,000,000 for any one accident.

The application shows that it has not been applicant's practice to set up a reserve on its books for unpaid claims. Applicant states that during the entire course of its history it has paid promptly all claims against it for bodily injuries and property damages for which liability had been established, its payments during the last four years being reported as follows:

1948	\$70,156.95
1949	49,915.83
1950	48,512.04
1951 (11 months)	67,146.23

The application shows that applicant's operating revenues for the 11 months ended November 30, 1951, amounted to \$5,300,256.54

and its net income after all charges to \$397,783.77. At the close of November, 1951, applicant reported its current assets at \$1,333,724.74 including cash and government securities of \$993,553.72, and its current liabilities at \$743,538.77.

The Commission has given consideration to applicant's request to act as a self-insurer and is of the opinion that a public hearing in the matter is not necessary; that applicant's resources are sufficient to enable it, as a self-insurer to the extent indicated, to meet its obligations for public liability and property damage and to afford security for the protection of the public without affecting the stability and permanency of its operations as a passenger stage corporation; and that the application should be granted, as herein provided; therefore,

IT IS HEREBY ORDERED that the Commission hereby approves San Diego Transit System's application under General Order No. 101 for authority to act as a self-insurer of its obligations for public liability and property damage up to \$25,000 for any one accident, with provision for excess coverage on claims in excess of \$25,000 as set forth in this application.

IT IS HEREBY FURTHER ORDERED that this order will become effective on the date hereof and will continue in effect unless and until hereafter otherwise ordered or directed.

Dated at San Francisco, California, this 8<sup>th</sup> day of January, 1952.

R. J. Dwyer  
President  
Harold P. Hula  
Lawrence H. Satter  
John E. Mitchell  
Commissioners

Commissioner Justus F. Graemer, being necessarily absent, did not participate in the disposition of this proceeding.