

ORIGINAL

Decision No. 47257

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SECOND 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. 33296
October 2, 1951, and effective	:	
January 1, 1952, (Decision No.	)	
46269, Case No. 5298).	:	
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OPINION AND ORDER

By Decision No. 46623, dated January 8, 1952, in Application No. 33030, the Commission authorized San Diego Transit System to act as a self-insurer of its obligations for public liability and property damage up to \$25,000 for any one accident. In the present proceeding applicant seeks authorization to increase the limit of its self-insurance to \$50,000.

The application shows that heretofore applicant has made provision for insurance coverage on claims in excess of \$25,000 by a policy of insurance issued by Excess Insurance Company, that effective March 3, 1952, Excess Insurance Company canceled its policy, and that thereafter applicant obtained a certificate of insurance dated March 3, 1952, issued by Swett & Crawford providing for coverage with Lloyd's of London in excess of \$50,000 and up to \$1,000,000 for any one accident. A copy of the certificate of insurance, with endorsements, has been filed with the Commission.

Applicant reports that the reason for increasing the limit of its self-insurance is that the cost of insuring the second \$25,000 would be approximately \$18,000. It reports that in the past it has

paid all claims for bodily injuries and property damage 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	80,833.26

In financial statements filed with the Commission, applicant reports its revenues for the first two months of 1952 at \$1,066,362.01 and its net operating revenues at \$24,986.65. It reports, in addition, that its current assets at the close of February amounted to \$1,613,853 and its current liabilities to \$912,767. Applicant states that in the past its current assets have been ample to enable it to meet its obligations and it is of the opinion that it has sufficient current assets to pay any pending claims.

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 this matter is not necessary, that applicant's resources are sufficient to enable it to act as a self-insurer to the extent indicated and 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 as follows:

1. 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 \$50,000 for any one accident.

2. The Commission hereby approves the certificate of insurance dated March 3, 1952, and the endorsements, issued by Swett & Crawford providing for insurance coverage for San Diego Transit System in excess of \$50,000 with Lloyd's of London, and a renewal, or renewals, of said certificate.

3. This order is effective upon the date hereof.

Dated at San Francisco, California, this 17<sup>th</sup> day of June, 1952.

R. J. [Signature]  
President

Justus J. [Signature]  
Harold P. [Signature]

[Signature]  
[Signature]  
Commissioners