

ORIGINAL

Decision No. 48834

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)
MILO I. PASSALACQUA, LEO PASSALACQUA,)
and LAURENCE GANDO, a copartnership,)
doing business as Benicia-Vallejo Stage)
Line for order restoring certain)
commutation fares and adjustments in)
certain other fares and increase in)
parcel rates.)

Application No. 33644

Arthur A. Poat, for applicant.
O. B. Liersch, for the Commission staff.

O P I N I O N

Applicants are engaged in the transportation of passengers and express within and between the cities of Benicia and Vallejo. By this application as amended they seek authority to increase their present passenger fares and express rates as follows:

1. Increase the one-way fare applicable within Benicia or Vallejo from 10¢ to 15¢.
2. Increase the round trip fare between Benicia and Vallejo from 50¢ to 60¢.
3. Increase the one-way fare between Benicia and Midway from 10¢ to 15¢.
4. Increase the commutation fare between Benicia and Vallejo from \$1.50 to \$2.00 for 6 round trips and to limit the use thereof to 7 days from date of sale.
5. To provide that the present commutation fare of \$2.00 for 5 round trips applicable between M Street (Arsenal area) and Vallejo shall be used within 7 days from date of sale.
6. Increase the commutation fare between Benicia and Vallejo on the one hand and Highway 40 on the other hand from \$1.25 for 6 round trips to \$1.50 for 5 round trips limited to use within

6 days from date of sale.

7. Increase the school children's fare between Benicia and Vallejo from \$1.25 for 6 round trips to \$1.25 for 5 round trips, limited to use within 7 days from date of sale.

8. Cancel round trip fares applicable at intermediate points between Benicia and Vallejo.

9. Increase express rates as follows:

	<u>Present</u>	<u>Proposed</u>
1. Parcels under 25 pounds	10¢	25¢
2. Parcels under 50 pounds	25¢	50¢
3. Parcels under 100 pounds	75¢	\$1.00

Public hearings were held at Benicia on October 22, 1952, and on June 16, 1953, before Examiner Lake.

According to the record applicants' operations were conducted for the year ending April 30, 1953, with a net operating income of \$267.14 and an operating ratio of 99.4 before provisions for income taxes. For a 12 months' period ending June 30, 1954, operations under the present fares and prevailing conditions will result in a loss of \$6,456 and an operating ratio of 117.9 per cent. Under the proposed fares the net operating loss for the same period would be \$3,091, resulting in an operating ratio of 107.8. While the results anticipated from the proposed fares do not indicate profitable operations, applicants are of the opinion it would be inadvisable from a patronage standpoint to seek a greater increase at this time. They are hopeful that certain economies in operation can be effected, as suggested by the staff of the Commission and the expected loss minimized thereby.

Notices of the hearing in this matter were posted in applicants' vehicles and were published in newspapers of general circulation of the areas involved. In addition notices were sent by the Commission's secretary to persons believed to be interested.

No one appeared in opposition to the granting of the application.

It is clear from the evidence of record that increased fares are necessary to sustain applicants' operation. It is apparent that the proposed revenues would operate only to reduce their losses. Upon careful consideration of all of the facts and circumstances of record, the Commission concludes and finds as a fact that the sought fare structure has been justified. The application will be granted. Because of the urgent need for additional revenues applicants will be authorized to establish the proposed fares and express rates upon 5 days' notice.

O R D E R

Based upon the evidence of record and upon the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that Milo I. Passalacqua, Leo Passalacqua and Laurence Gando are hereby authorized to establish within 90 days after the effective date of this order and on not less than 5 days' notice to the Commission and to the public increased passenger fares and express rates as set forth in the amended application.

IT IS HEREBY FURTHER ORDERED that applicants be and they are hereby directed to post and maintain in their vehicles a notice of the fares and rates herein authorized. Such notice shall be made not less than five days prior to the effective date of such fare, and shall be maintained for a period not less than 30 days.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall expire unless exercised within 90 days after the

effective date of this order.

This order shall become effective 20 days after the date hereof.

Dated at San Francisco, California, this 14th day of July, 1953.

Commissioner Kenneth Potter, being necessarily absent, did not participate in the disposition of this proceeding.

[Signature]
Justus Z. Callahan PRESIDENT
[Signature]
[Signature]

 COMMISSIONERS