

Decision No. 48896

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
JAMES C. CHRISTY and RAY W. INNESS )  
(Kernville Stage Company) for )  
authority to increase passenger )  
fares between Bakersfield on the )  
one hand, and Kernville and Onyx, )  
on the other hand, and intermediate )  
points. )

Application No. 34291

T. A. L. Loretz, for applicant.  
Glenn Newton, for the Commission's  
staff.

O P I N I O N

Applicants are engaged in the business of transporting passengers and express by bus between Bakersfield on the one hand, and Kernville and Onyx, on the other hand. By this application, as amended, they seek authority to establish revised passenger fares, rules and regulations.

Public hearing was held at Kernville on June 18, 1953, before Examiner Lake.

Applicants' present fares are the same as those established in 1947 by a predecessor operator. It is alleged that these fares reflect no recognized or uniform rate per passenger mile, that they were established under conditions different from those now obtaining and that they are neither compensatory nor properly related one to another.

The fares herein proposed to be established are based upon approximately 2-3/4 cents per mile subject to a minimum one-way fare of 30 cents. The proposed fares for round trips are 180 per cent of

the one-way fares. Applicants also propose to establish a rule to govern the computation of fares from, to or between points for which fares are not specifically provided. In addition, authority is sought to clarify the present rule that governs the application of children's fares.<sup>1</sup>

Applicants' proposal would increase approximately 80 per cent of the present fares and would reduce approximately 6 per cent of them. The balance of 14 per cent of the present fares would not be changed. No change is proposed in the children's fares.

The record shows that applicants' operations are conducted for the most part through mountainous country over narrow highways with severe grades and numerous curves. It also shows that the mileages between the points served by applicants have recently increased due to the relocation of the towns of Kernville and Isabella and the highways serving these towns. According to the record, the proposed basis of fares compares favorably with other passenger stage lines operating over less severe routes than those over which applicants' operations are conducted.

According to exhibits submitted by an engineer for the Commission's staff, operations for a 12-month period ending April 30, 1953, were conducted at a loss of \$1,275 and at an operating ratio of 107.5 per cent. Estimates of the financial results which may reasonably be expected under existing conditions, under present and proposed

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The present and proposed fares and rules and regulations are specifically set forth in Appendix "A" hereof.

fares, for a 12-month period ending June 30, 1954, are shown in the table which follows:

	<u>Table No. 1</u>	
	<u>Present Fares</u>	<u>Proposed Fares</u>
Revenues	\$16,680	\$17,260
Expenses	<u>17,320</u>	<u>17,340</u>
Net Income	<u>\$(640)</u>	<u>\$( 80)</u>
Operating Ratio	103.8%	100.5%
Rate Base	\$8,400	\$8,400

(    ) Indicates loss.

While the results anticipated from the proposed fares do not indicate profitable operations, applicants are of the opinion that higher fares would be inadvisable at this time. They are hopeful that conditions in the Kernville area will be such, in the near future, that patronage on their line will increase and that profitable operations can be conducted.

Notices of the hearing in this matter were posted in applicants' vehicles and were published in newspapers of general circulation in the areas involved. In addition, notices were sent by the Commission's secretary to persons believed to be interested. Two patrons of applicants' line testified in support of the increased fares. No one appeared in opposition to the granting of the application.

It is clear from the evidence of record that applicants' present fares are neither reasonable nor sufficient. The proposed fare structure, predicated upon a mileage basis, would result in

fares which would be reasonably related one to another and would give effect to the conditions under which operations are conducted although they would operate only to reduce applicants' losses. The sought fares will be authorized.

The proposed rules relating to the construction of fares from, to or between intermediate points and to the application of children's fares appear to be reasonable. Applicants' request to establish these rules will be granted.

Upon careful consideration of all of the facts and circumstances of record, the Commission concludes and finds as a fact that the fares, rules and regulations sought to be established are justified.

#### O R D E R

Public hearing having been held in the above-entitled application, as amended, full consideration of the matters and things involved having been had, and the Commission being fully advised,

IT IS HEREBY ORDERED that James C. Christy and Ray W. Inness, doing business as Kernville Stage Company, be and they are hereby authorized to establish, on not less than three days' notice to the Commission and to the public, the revised fare structure and proposed rules as specifically set forth in Appendix "A" hereof.

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 herein authorized. Such notice shall be made not less

than five days prior to the effective date of such fares, and shall be maintained for a period not less than thirty days.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

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

Dated at San Francisco California, this 28th day of July, 1953.

[Signature]  
President  
Justice F. Caswell  
Harold A. Hill  
Bennett F. Jett

Commissioners

Commissioner Peter E. Mitchell being necessarily absent, did not participate in the disposition of this proceeding.

Fares - In Cents

Column A - Present Fares and Mileages.

Column B - Proposed Fares and Mileages.

SIDE- LINE INDEX NO.	HEADLINE INDEX NO.		5		10		15		20		25		
	AND	BETWEEN	For Explanation see below	Onyx		Weldon		Isabella		Wofford Heights		Kernville	
				COLUMN		COLUMN		COLUMN		COLUMN		COLUMN	
				A	B	A	B	A	B	A	B	A	B
10	Weldon	MLS OW RT	5 25 40	¢4 *30 *55									
15	Isabella	MLS OW RT	15 25 40	*18 *50 *90	10 25 40	*14 *40 *70							
20	Wofford Heights	MLS OW RT	... #35 #50	24 *65 *115	... #30 #45	20 *55 *100	... #25 #40	6 *30 *55					
25	Kernville	MLS OW RT	19 35 50	*26 *75 *135	14 30 45	*22 *60 *105	4 25 40	*10 *30 *55	... #25 #40	4 *30 *55			
30	Bodfish	MLS OW RT	19 50 80	*20 *55 *100	14 50 80	*16 ¢45 80	4 25 40	¢2 *30 *55	... #25 #40	9 *30 *55	8 25 40	*12 *35 *65	
35	Borel	MLS OW RT	22 50 80	22 *60 *105	17 50 80	*18 50 *90	7 25 40	¢5 *30 *55	... #40 #65	11 ¢30 ¢55	11 40 65	*15 *45 *80	
40	Miracle Hot Springs	MLS OW RT	24 60 100	*25 *70 *125	19 60 100	*21 60 *105	9 50 80	¢7 ¢30 ¢55	... #50 #80	14 ¢40 ¢70	13 50 80	*17 ¢45 80	
45	Democrat	MLS OW RT	36 90 150	¢34 *95 *170	31 90 150	¢30 ¢85 150	21 90 150	¢16 ¢45 ¢80	... #90 #150	23 ¢65 ¢115	25 90 150	*27 ¢75 ¢135	
50	K.R.No.One	MLS OW RT	47 100 175	¢44 *120 *215	42 100 175	¢40 *110 *200	32 100 175	¢28 ¢80 ¢145	... #100 #175	34 ¢95 ¢170	36 100 175	*38 *105 *190	
55	Bakersfield	MLS OW RT	65 125 225	¢62 *170 *305	60 125 225	¢58 *160 *285	50 125 225	¢46 125 225	... #125 #225	52 *145 *260	54 125 225	*56 *155 *280	

Explanation of Abbreviations and Reference Marks:

- MLS . . . . . Miles
- OW . . . . . One Way
- RT . . . . . Round Trip
- \* . . . . . Increase
- ¢ . . . . . Reduction
- # . . . . . Present Rate to and from  
next more distant point applied  
under Item 5(b) of tariff.

Fares - In Cents

Column A - Present Fares and Mileages.

Column B - Proposed Fares and Mileages.

SIDE LINE INDEX NO.	HEADLINE INDEX NO.  BETWEEN  AND	For Explanation see below	30		35		40		45		50	
			Bodfish		Borel		Miracle Hot Springs		Democrat		K.R. No. One	
			COLUMN		COLUMN		COLUMN		COLUMN		COLUMN	
			A	B	A	B	A	B	A	B	A	B
35	Borel	MLS OW RT	3 25 40	¢2 *30 *55								
40	Miracle Hot Springs	MLS OW RT	5 25 40	5 *30 *55	2 25 40	*3 *30 *55						
45	Democrat	MLS OW RT	17 75 125	¢14 ¢40 ¢70	14 75 125	¢12 ¢35 ¢65	12 60 100	¢9 ¢30 ¢55				
50	K.R.No.One	MLS OW RT	28 90 150	¢25 ¢70 ¢125	25 90 150	¢23 ¢65 ¢115	23 75 125	¢20 ¢55 ¢100	11 40 70	11 ¢30 ¢55		
55	Bakersfield	MLS OW RT	46 115 200	¢44 *120 *215	43 115 200	¢41 ¢110 ¢195	41 100 175	¢38 *105 *190	29 70 120	29 *80 *145	18 50 75	18 50 *90

Explanation of Abbreviations and Reference Marks:

- MLS. . . . . Miles
- OW . . . . . One Way
- RT . . . . . Round Trip
- \* . . . . . Increase
- ¢ . . . . . Reduction

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PRESENT RULE

Fares to or from intermediate points not shown herein will be the same as the fare to or from the next more distant point published.

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PROPOSED RULE

Fares to, from or between directly intermediate points which this carrier is authorized to serve, and which are not named as fare points (see note) in this tariff will be computed on the basis of speedometer mileage as follows:

(a) Fares will be based on two and three-quarter cents (2-3/4¢) per mile between point of origin or destination and the nearest published fare point in the direction of travel plus the published fare to or from the nearest point named. In cases where there is no published fare point between the point of origin and point of destination, the fare will be computed on the basis of two and three-quarter cents (2-3/4¢) per mile from origin to destination.

(b) Fares computed in accordance with this rule shall not exceed (1) the published fare to or from the next more distant point on the same route of travel or (2) when both point of origin and point of destination are located between the same named fare points, the fare shall not exceed the published fare applicable between said named points.

Fares computed in accordance with this rule are subject to a THIRTY CENT (30¢) Fare Minimum.

NOTE:- Published fare points, as used in this item, shall be:

Bakersfield - 19th & 'N' Streets

Kernville - U. S. Post Office

Isabella - U. S. Post Office

Oynx - U. S. Post Office

All other named points - Location or intersection at which highway route crosses center of community.



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PRESENT RULE

CHILDREN'S FARES

Children under five (5) years of age, when accompanied by an adult passenger and not occupying a seat to the exclusion of other passengers, will be carried free. Children under five (5) years of age occupying seats to the exclusion of other passengers and children five (5) years and under twelve (12) years of age will be charged one half (1/2) of the adult fare increased where necessary to make such fare end in the next 0 or 5.

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PROPOSED RULE

CHILDREN'S FARES

Children under five (5) years of age, when accompanied by a passenger paying an adult fare and when not occupying a seat to the exclusion of other passengers, will be carried free. Children under five (5) years of age occupying seats to the exclusion of other passengers and children five (5) years of age and older, but less than twelve (12) years of age, will be charged one half (1/2) of adult fare, increased where necessary to make such fare end in 0 or 5.

(End of Appendix "A")