

Decision No. 49445**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of S. J. MAYJOFFO and)
 V. P. BILLECI, copartners, conduct-)
 ing operations as a passenger stage)
 corporation, between Pittsburg,)
 Contra Costa County and adjacent)
 territory, for an order authorizing)
 increase in passenger fares.)

Application No. 34833

O P I N I O N

S. J. Mayjoffo and V. P. Billeci, by application filed October 29, 1953, sought authority to establish increased fares in the conduct of their passenger stage operations between Pittsburg and Camp Stoneman, and adjacent territory.

Decision No. 48925 dated August 4, 1953, in Application No. 34450, authorized the applicants above named to transfer and Pittsburg Bus Lines, Inc., to acquire the operative right concerned.

Present and proposed fares are as follows:

<u>Index No.</u>	<u>Between Pittsburg and</u>	<u>Present Fares</u>	<u>Proposed Fares</u>
1.	Pittsburg	\$.10	\$.15
2.	Camp Stoneman	.10	.15
3.	Pittsburg Replacement Depot	.10	.15
4.	Columbia Park Project	.10	.15
5.	Pittsburg High School (during week days only and other than high school vacation periods)	.05	.10

Applicant alleges that since May 1953 there has been a decline in the number of passengers because of cessation of hostilities in Korea and the transfer of air force personnel from Camp Stoneman; that a further loss of revenue was occasioned by the discontinuance of a private school contract as of June 1953; and that operations are being conducted at a loss.

A report prepared by an engineer of the Commission's staff states that the governing factor as to traffic over the applicant's lines is the activity at Camp Stonoman. The report shows that there was a downward trend of approximately 16 per cent from August 1952 to August 1953 and that September and October 1953 show a continuing loss in traffic. It is indicated that traffic during the rate year will be no higher than at present and that the engineer's estimate of 38,000 passengers per month for the rate year is most optimistic. The engineer points out that traffic may fall to the level of the first seven months of 1952, in which event the increase sought by applicant would result in an operating loss for the rate year.

The report shows operating results for 1952 and 1953 as set forth in applicant's books and as estimated for the calendar year 1954 under present and proposed fares as follows:

Item	Actual as per Books*		Estimate Rate Year:	
	Year 1952	10 Mos. 1953 Annualized	Present: Fares	Proposed: Fares
Total Revenue	\$48,598.26	\$68,312.15	\$ 47,850	\$65,150
Total Operating Expenses	35,411.83	70,801.73	63,724	64,087
Net Operating Income before Income Tax	13,186.43	(2,489.58)	(15,874)	1,063
Income Tax			25	312
Net Operating Income			(15,899)	751
Rate Base			18,150	18,150
Rate of Return			-	4.14%
Operating Ratio after Income Tax			133.23%	98.85%

(Red Figure)

* Adjusted

Under the circumstances here disclosed we are of the opinion and find that the proposed fare increases are justified and therefore the application will be granted.

It is alleged in the application that the City Council of the City of Pittsburg, a member of the Board of Supervisors of Contra Costa County, and the Department of the Army have been advised

of the application. It is further alleged that mention of the application appeared in a Pittsburg daily newspaper. A public hearing is not necessary.

O R D E R

An application having been filed, the Commission being of the opinion that the authority sought should be granted,

IT IS ORDERED:

(1) That Pittsburg Bus Lines, Inc., is authorized to establish, on not less than five days' notice to the Commission and to the public, the proposed fares as hereinabove set forth.

(2) That Pittsburg Bus Lines, Inc., shall post in its buses and terminals a suitable explanatory notice of said fare increases continuously for at least ten days before the effective date of the fare change.

(3) That the authority herein granted shall expire unless exercised within sixty days after the effective date of this order.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 15th day of December, 1953.

R. F. [Signature]
President

Justus J. [Signature]

[Signature]

[Signature]

[Signature]
Commissioners