

ORIGINALDecision No. 49487

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of HIGHLAND TRANSIT, INC., a)
corporation, to increase rates) Application No. 34811
and fares for the transportation)
of passengers in the City of San)
Pedro, California.)

O P I N I O N

Applicant operates a passenger stage service in the San Pedro area. It proposes to increase fares from 11 cents to 12 cents. There will be no change in the school commutation fare of 30 rides for \$1.50.

Applicant and the Commission staff have submitted estimates of results of operation under present and proposed fares for the year 1954, which have been analyzed as follows:

Estimated Results of Operation

	<u>Applicant^a</u>	<u>P.U.C. Staff^b</u>
Mileage	109,905	109,900
<u>Under Present Fares</u>		
Revenue	\$ 42,798	\$ 41,210
Operating Expenses	44,063	40,460
Net Before Income Taxes	(1,265)	750
Income Taxes	-	25 ^d
Net Income	(1,265)	725
Operating Ratio ^c	103.0%	98.2%

Estimated Results of Operation--contd.

	<u>Applicant</u> ^a	<u>P.U.C. Staff</u> ^b
<u>Under Proposed Fares</u>		
Revenue	\$ 46,073	\$ 42,970
Operating Expenses	44,063	40,500
Net Before Income Taxes	2,010	2,470
Income Taxes	583	440 ^d
Net Income	1,427	2,030
Operating Ratio ^c	96.9%	95.3%

(Red Figure)

- a. 12 months ending 9-30-54.
- b. 12 months ending 12-31-54.
- c. After income taxes.
- d. Income tax computed after interest credit.

There are only minor variations in estimates of revenue and operating expenses, except that applicant estimated repair cost at 9 cents per mile and the staff at 5 cents per mile. The latter estimate appears more in line with applicant's past experience, and conforms to the experience of other carriers using similar equipment. Other estimates show minor divergence. However, the end results are sufficiently comparable and do not appear to be unreasonable.

We find that the proposed fares are justified and the application will be granted. There was no opposition to the application and a public hearing is not deemed necessary.

O R D E R

Application having been made, the Commission being fully advised in the premises and having found the proposed fares to be justified and reasonable,

IT IS ORDERED:

1. That Highland Transit, Inc., a corporation, be, and it hereby 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 applicant 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 changes:

3. That any joint fare and transfer agreement entered into between applicant and any other carrier or carriers shall provide for a uniform fare and transfer privilege in accordance with the fares as authorized to be charged by this Commission:

4. That the authority to increase fares as herein granted shall expire unless exercised within sixty days from the effective date hereof.

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

Dated at San Francisco California, this 29th of December, 1953.

R. Z. [Signature]
President
Justicia F. [Signature]
[Signature]
[Signature]
Commissioners