

**ORIGINAL**Decision No. 50329

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 Melvin H. Bunting, dba LEE'S AUTO )  
 STAGE LINE, for authority to in- ) Application No. 35354  
 crease passenger fares between San )  
 Bernardino, Rialto and Bloomington )  
 and intermediate points in San )  
 Bernardino County. )

O P I N I O N

Applicant is an individual serving as a passenger stage corporation between the cities of San Bernardino, Rialto and Bloomington, California. He seeks authority to increase fares. His present and proposed fares are as follows:

Present

Between	(1) San Bernardino		(2) Eucalyptus		(3) Rialto	
and:			and		Foothill	
Eucalyptus	<u>Adults</u>	<u>Children</u>	<u>Adults</u>	<u>Children</u>	<u>Adults</u>	<u>Children</u>
and						
Foothill	10¢	5¢				
Rialto	15¢	10¢	10¢	5¢		
Bloomington	20¢	15¢	15¢	10¢	10¢	5¢

Proposed

Applicant proposes four zones. Zone 1 will extend from San Bernardino west to the intersection of Rancho Avenue and Foothill Boulevard; Zone 2 will extend from the intersection of Rancho Avenue and Foothill Boulevard to the intersection of Acacia Avenue and Foothill Boulevard (Rialto); Zone 3 will extend from the intersection of

Foothill Boulevard and Acacia Avenue to the intersection of Randall Street and Diagonal Road; and Zone 4 will extend from the intersection of Randall Street and Diagonal Road to the intersection of Slover Street and Cedar Street (Bloomington).

Proposed fares will be 10 cents for either adults or children between any two points in a single zone.

Proposed fares between any point within Zone 1 and another zone are as follows:

	<u>Zone 2</u>	<u>Zone 3</u>	<u>Zone 4</u>
Adults	15¢	20¢	25¢
Children	10¢	15¢	15¢

Commutation tickets, good for ten rides, are proposed as follows: Zone 2, \$1.25; Zone 3, \$1.50; and Zone 4, \$2.00.

Applicant alleges that he is unable to continue operations under the present basis of passenger fares, and that said fares are unremunerative and unduly low by comparison with existing fares of other bus lines and passenger stage operations in San Bernardino County. He requests that, if the proposed fare increase is authorized, he be permitted to increase the fares on the shortest possible notice to the Commission and to the public.

A comparison of an independent staff study with that of applicant shows estimated results of operations under present and proposed fares is as follows:

<u>Present</u>		
<u>Item</u>	<u>Applicant (a)</u>	<u>P.U.C. Staff (b)</u>
<u>Mileage</u>	75,679	71,310 (d)
<u>Revenue</u>		
Passenger	\$ 20,914	\$ 20,750
Other	-	40
	\$ 20,914	\$ 20,790
<u>Expense</u>	\$ 26,311	\$ 23,170
Net before Income Taxes	\$ (5,397)	\$ (2,380)
Income Taxes	-	-
Net Income	\$ (5,397)	\$ (2,380)
Operating Ratio % (c)	125.8	111.4
Rate Base	-	\$ 9,580
Rate of Return %	-	-

<u>Proposed</u>		
<u>Item</u>	<u>Applicant (a)</u>	<u>P.U.C. Staff (b)</u>
<u>Mileage</u>	75,679	71,310 (d)
<u>Revenue</u>		
Passenger	\$ 23,609	\$ 22,650
Other	-	40
	\$ 23,609	\$ 22,690
<u>Expense</u>	\$ 26,311	\$ 23,220
Net before Income Taxes	\$ (2,702)	\$ (530)
Income Taxes	-	-
Net Income	\$ (2,702)	\$ (530)
Operating Ratio % (c)	111.4	102.3
Rate Base	-	\$ 9,580
Rate of Return %	-	-

- (a) 12 months ending 12-31-54.  
(b) 12 months ending 6-30-55.  
(c) After Income Taxes.  
(d) Applicant did not reduce mileage to reflect abandonment of a section of a line in Rialto. The staff mileage estimate conforms to schedules now being operated, hence staff expenses are less accordingly for accounts that vary with mileage.

(Red Figures)

The estimated results of operations under both present and proposed fares by the applicant and the staff indicate an operating deficit. Under the circumstances here disclosed, we are of the opinion and find that the proposed fare increases are justified. The municipalities concerned with this matter were duly advised of its filing and of the relief requested therein but no objections thereto were made. A public hearing is not necessary. The application will be granted.

O R D E R

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

IT IS ORDERED:

(1) That Melvin H. Bunting, doing business as Lee's Auto Stage Line, 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 Melvin H. Bunting shall post in his buses and terminals a suitable explanatory notice of such fare increases continuously for at least ten days before the effective date of the fare changes.

(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 Los Angeles, California,  
this 27<sup>th</sup> day of July, 1954.

Richard P. Mitchell  
President  
Justus J. Casner  
Kenneth Totten  
Carroll Higgins

\_\_\_\_\_  
Commissioners