

**ORIGINAL**Decision No. 53564

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Eureka-Redding Stages, )  
 Inc., for authority to increase rates )  
 and charges applicable to the trans- )  
 portation of passengers. )

Application No. 38026

OPINION AND ORDER

Eureka-Redding Stages, Inc., operates as a passenger stage corporation between Eureka and Redding. It also transports express, not to exceed 100 pounds per package, on its stages. By this application, authority is sought to increase fares applicable to the transportation of passengers by adding 15 per cent to the present fares, and to establish a minimum one-way adult or children's fare of 20 cents. No increase is requested in express rates.

Applicant contends that since it acquired the operation in February, 1952, transportation services have been conducted at a considerable and recurring loss. The application alleges that the total revenues resulting from applicant's operations for the period February 26, 1952, to March 31, 1956, was \$8,499 less than the total operating expenses, exclusive of depreciation of the equipment devoted to the public service. After provision for depreciation, the application shows a loss of \$18,580 for the same period.

The Commission's staff made a detailed study of applicant's operations. This study is hereby made a part of this record and identified as Exhibit No. 1. The operating results as estimated by the Commission's staff under present and proposed fares for the rate year ending June 30, 1957, is summarized below. The summary also includes an estimate of results of operation by the applicant for the

12-month period ending March 31, 1957.

Item	Estimate for Rate Year			
	P.U.C. Staff		Applicant	
	12 Mos. End. 6-30-57	12 Mos. End. 6-30-57	12 Mos. End. 3-31-57	12 Mos. End. 3-31-57
	Present	Proposed	Present	Proposed
	Fares	Fares	Fares	Fares
Bus Miles	91,760	91,760	85,000	85,000
<u>Operating Revenue</u>				
Passenger Revenue	\$19,810	\$22,040	\$18,407	\$20,745
Express Revenue	<u>4,700</u>	<u>4,700</u>	<u>4,500</u>	<u>4,500</u>
Total Operating Revenue	\$24,510	\$26,740	\$22,907	\$25,245
<u>Expenses</u>				
Operating & Maintenance	\$24,190	\$24,410	\$22,000	\$22,000
Depreciation	725	725	1,500	1,500
Operating Taxes and Licenses	<u>2,660</u>	<u>2,730</u>	<u>2,500</u>	<u>2,500</u>
Total Expenses	\$27,575	\$27,865	\$26,000	\$26,000
Net Operating Revenue	(\$ 3,065)	(\$ 1,125)	(\$ 3,093)	(\$ 755)
Operating Ratio	112.5%	104.2%	113.5%	103.0%

(Red Figures)

Copies of the application were mailed to the Counties of Humboldt, Trinity and Shasta. Notice of the proposed fares was posted in the buses and terminals of the applicant. No protests have been received.

A careful analysis of the application and of the study made by the Commission's staff discloses that continuance of operations under present fares will result in substantial additional losses and that relief in the form of increased revenue is necessary.

After consideration, the Commission is of the opinion and hereby finds that the increase sought is justified. A public hearing is not necessary. Because of the adverse operating results of the applicant, authorization to establish the increased fares on less than statutory notice will be granted.

An application having been filed with the Commission for authority to increase fares, the matter having been considered and the Commission being of the opinion that the increase sought is justified,

IT IS ORDERED:

1. That Eureka-Redding Stages, Inc., be and is hereby authorized to establish on not less than five days' notice to the Commission and to the public, the passenger fares as proposed in the application filed herein.

2. 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 ten days after the date hereof.

Dated at San Francisco, California, this 7<sup>th</sup> day of August 1956.

Walter E. Mitchell  
President

Justice I. Casper

Wm. J. ...

B. Hardy

Commissioners