

ORIGINALDecision No. 50855

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 The Napa Valley Bus Corporation, for) Application No. 39943
 an order authorizing a change in fares.)

O P I N I O N

Napa Valley Bus Corporation provides local bus transportation in the City of Napa and surrounding territory. The present service consists of two routes, each of which originates at First and Main Streets in the central business district of Napa. The combined length of the two routes is approximately fifteen miles. Only one bus (17-passenger) is used in the operation. Two other routes were formerly operated (Imola Avenue and Vichy Avenue), but were discontinued in 1957 due to lack of patronage.

In this proceeding applicant proposes to increase the adult cash fare from 20 cents to 25 cents or four tokens for \$1.00, and to eliminate the present five-cent transfer charge between routes. No change in children's fares is proposed. By an amendment, applicant also asks that the two discontinued routes be eliminated from its certificate.

The Commission staff made a study of applicant's operations. This study is hereby made a part of this record and identified as Exhibit No. 1. In its study, the staff developed estimated operating results for a rate year consisting of the calendar year 1958. The staff's estimate of revenue for the rate year for the two routes presently operated is based on the level of traffic experienced by

the company during the calendar year 1957. Under proposed fares an estimated diminution of 6.25 per cent was used on the basis of one-fourth of the per cent increase in fares.

Since the applicant's books for the year 1957 did not reflect all of the expenses attributable to a passenger bus operation of this size, the 1957 recorded expenses were adjusted by the staff in its study to include appropriate charges for repairs, servicing of equipment, tires and tubes, and allowances for the owner's wages and office expense.

The estimated results of operation under present and proposed fares for the year 1958 as shown in the staff study are set forth below.

NAPA VALLEY BUS CORPORATION
ESTIMATED RESULTS OF OPERATION FOR YEAR 1958

	<u>Present Fares</u>	<u>Proposed Fares</u>
Bus Miles	38,505	38,505
Operating Revenue	\$10,545	\$12,380
Operating Expenses	11,512	11,520
Net Operating Revenue	(\$ 967)	\$ 860
Income Taxes	---	280
Net Income After Taxes	(\$ 967)	\$ 580
Operating Ratio	109.2%	95.3%

() indicates loss

The public has been adequately informed of the proposed increase in fares. Public notice was given by an announcement posted in the bus of the applicant. Letters approving the fare increase have been received from the City of Napa and the Napa Chamber of Commerce. No protest has been received.

Under present fares the net annual loss was calculated to be \$967 with an operating ratio of 109.2 per cent, while under the applicant's proposed fares, the net annual income is estimated to be \$580 with an operating ratio of 95.3 per cent.

The Napa County Board of Supervisors has protested the requested abandonment of the Imola Avenue and Vichy Avenue routes. According to applicant, service on these routes was discontinued a year ago. No complaints regarding the discontinuance have been received by the Commission since then. Elimination of these routes from applicant's certificate will do no more than reflect conditions as they exist.

In the circumstances, the Commission is of the opinion and finds that the proposed fare increase is justified and will not result in unreasonable charges, and that abandonment of the two discontinued routes is not adverse to the public interest. The application as amended will be granted. A public hearing is not necessary. In view of applicant's financial position, the order which follows will be made effective in ten days.

O R D E R

Application having been made, the Commission being fully advised in the premises and having found that the sought increase is justified,

IT IS ORDERED:

1. That Napa Valley Bus Corporation be and it is hereby authorized to establish, on not less than five days' notice to the Commission and to the public, the increased passenger fares and tariff changes proposed in Amended Exhibit C of the application filed herein.

2. That, in addition to the required filing of tariffs, applicant shall give notice to the public by posting in its buses a statement of the increased fares herein authorized. The notices shall be posted at least five days prior to the effective date of

the increased fares and shall remain posted for not less than ten days thereafter.

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

4. That Napa Valley Bus Corporation be and it is hereby authorized to abandon and cancel passenger stage service operations over Routes Nos. 3 and 4 described on Original Page 4 of Appendix A of Decision No. 54324.

5. That Appendix A of Decision No. 54324 is hereby amended by incorporating therein First Revised Page 4 in revision of Original Page 4.

6. That within sixty days after the effective date hereof, and on not less than five days' notice to the Commission and to the public, applicant shall amend its tariff to reflect the authority granted in paragraph 4, above.

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

Dated at San Francisco, California, this 17th day of June, 1958.

John E. Stahl
President
Raulo L. Luster
William J. Dooler
E. Lynn Fox
Theodore H. Jenner
Commissioners

Appendix A

Napa Valley Bus Corporation
(A Corporation)

First Revised Page 4
Cancels
Original Page 4

* Route No. 3 - cancelled

* Route No. 4 - cancelled

End of Appendix A

Issued by California Public Utilities Commission

*Changed by Decision No. 56855, Application No. 39943.