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ORIGINAL

Decision No. 59652

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
JOHN JARVIS, dba TWIN CITIES TRANSIT,
for authority to increase the fare
rate of the passenger transit service
between Marysville and Yuba City,
California.

Application No. 41672

OPINION AND ORDER

John Jarvis, doing business as Twin Cities Transit, operates as a passenger stage corporation between Yuba City and Marysville. By this application, filed on November 17, 1959, he seeks authority to increase his adult fare from 15 to 20 cents. No change is proposed in the present children's and school fare, which is 10 cents.

According to the application, the proposed fare increase is made necessary by increased operating costs which have been experienced, and by a decrease in revenues resulting from a decline in the volume of applicant's traffic.

The Commission's staff has made an independent study of the carrier's operations. The results of that study are set forth in a document which is hereby incorporated in the record herein as Exhibit No. 1.

In the course of the staff study it was found that applicant does not maintain book records in such a manner as to reflect his full operating cost. In order to show the full cost of operation, therefore, the staff found it necessary to make certain

adjustments in the carrier's recorded expenses relating to repairs to vehicles, drivers' wages, management compensation, operating taxes and rent.

In the table below are summarized applicant's operating results (1) for the 12-month period ending November 30, 1959 as recorded; (2) for that same period, as adjusted by the staff; and (3) for the 12-month period ending December 31, 1960 under the proposed increased fare, as estimated by the staff.

	<u>Book Record</u> 12-Mos. Ended Nov. 30, 1959	<u>Adjusted</u> <u>Book Record</u>	<u>Proposed Fare</u> <u>Estimated Results</u> <u>Rate Year 1960</u>
Revenue	\$14,080	\$14,080	\$16,270
Expenses	<u>8,381*</u>	<u>14,954**</u>	<u>15,220**</u>
Net Income	\$ 5,699	\$ (874)	1,050
Operating Ratio	59.5%	106.2%	93.5%

(Red Figure)

* Does not include income taxes.
** Includes income taxes.

The public has been adequately informed of the proposed fare increase. Copies of the application were served on local authorities and public notice was given by announcements posted in applicant's vehicles. No one has opposed the granting of the application.

The record shows that, after giving recognition to the full operating costs incurred by applicant, including reasonable compensation for his own services as manager and driver, applicant's operations during the 12-month period ended November 30, 1959, were conducted at a loss. Also, it is clear that if applicant's fares remain unchanged he will continue to operate at a loss. The

estimated operating results under the proposed fares do not appear unreasonable. After consideration, the Commission is of the opinion, and so finds, that the proposed fare increase has been justified. The application will be granted. A public hearing is not necessary.

In view of applicant's urgent need for increased revenues, the order which follows will be made effective 10 days from the date of its issuance and applicant will be authorized to establish the increased fare on less than statutory notice.

O R D E R

Based upon the evidence of record and upon the findings and conclusions set forth in the preceding opinion,

IT IS ORDERED that:

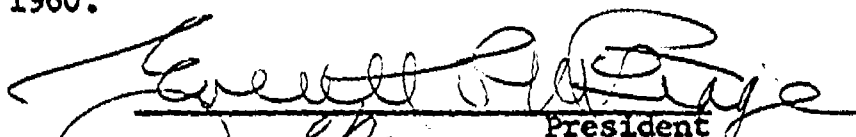
1. John Jarvis, doing business as Twin Cities Transit, be and he is hereby authorized to establish, on not less than five days' notice to the Commission and to the public, the increased passenger fare proposed in the application filed in this proceeding.
2. In addition to the required posting and filing of tariffs, applicant shall give notice to the public by posting in his buses and terminals a printed explanation of his fares. Such notice shall be posted not less than five days before the effective date of the fare changes, and shall be posted for a period of not less than thirty days.

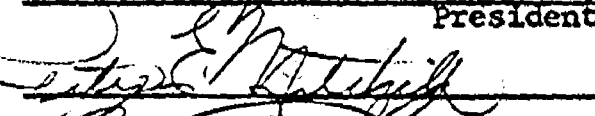
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3. The authority herein granted shall expire unless exercised within sixty days after the effective date of this order.

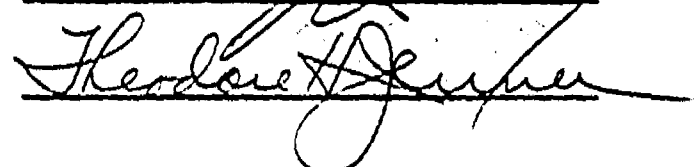
The effective date of this order shall be ten days after the date hereof.

Dated at San Francisco, California, this 9th
day of FEBRUARY, 1960.



President






Commissioners