

Decision No. 60540**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 JACK A. ROESCH, doing business as)
 WESTERN TRAIL STAGES, to Increase)
 Fares and Rates (Section 454 of the)
 Public Utilities Code))

Application No. 42159

(Filed April 15, 1960)

OPINION AND ORDER

Jack A. Roesch, an individual doing business as Western Trail Stages, is engaged in the transportation of persons, mail and express, as a passenger stage common carrier, between San Bernardino and various resort areas in the vicinity of, or between, Lake Arrowhead and Big Bear Lake. He is also engaged in certain other services consisting of the transportation of persons, as a common carrier, between San Bernardino and Los Angeles for the baseball games of the Los Angeles Dodgers, the contract transportation of school children, and the transportation of persons pursuant to charter arrangements. By this application he seeks authority to effect increases in his fares for his common carrier passenger services between San Bernardino and the resort areas. He also asks that he be permitted to establish the increased fares on five days' notice to the Commission and to the public.

The fares which applicant seeks to establish are about 25 to 50 percent more than his present fares. Examples of his present and proposed adult fares are set forth in the table below:

Present and Proposed Fares

Between San Bernardino And	<u>Present Fares</u>		<u>Proposed Fares</u>	
	<u>O.W.</u>	<u>R.T.</u>	<u>O.W.</u>	<u>R.T.</u>
Crestline Village	\$.75	\$1.30	\$1.15	\$1.95
Lake Gregory	.85	1.50	1.30	2.25
Lake Arrowhead Village	1.10	1.90	1.55	2.70
Arrowbear Park	1.60	2.80	2.25	3.95
Big Bear Lake	2.40	4.10	3.00	5.10

O.W.: One way
R.T.: Round trip

Applicant states that his present fares have been in effect since August, 1952; that since that time his operating costs have increased substantially; and that he is now incurring losses which are endangering his ability to continue to serve the public adequately. According to figures which he submitted to show the financial results of his operations during the past two years, his revenues, expenses and net operating results for these periods were as follows:

<u>Year</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Loss</u>
1958	\$14,188	\$22,136	\$ 7,948
1959	12,924	19,244	6,320

Applicant estimates that his operations for 1960 will result in a loss of \$5,824 if present fares are continued in effect. He further estimates that establishment of the sought fares will produce additional revenues of about \$3,200 annually. Thus, had the increased fares been in effect since January 1, 1960, he would be still confronted with a loss of more than \$2,600 for the year.¹

¹ The actual amount of the estimated loss, which takes into account an increase in costs of insurance, is \$2,898.

In connection with this application, applicant's operations and records were reviewed by the Commission's staff. The staff's report is included in the file in this matter as Exhibit No. 1. In general, the staff's report shows that applicant's losses are attributable mainly to the operations which are involved herein. The staff's report also indicates that applicant will continue to incur losses even under the sought fares.²

Copies of the application were furnished to the Board of Supervisors of the County of San Bernardino and to the Mayor and to the Council of the City of San Bernardino. In addition, notices of the sought fare increases were posted in applicant's buses and in various of his terminals. No protests against establishment of the sought fare increases have been received by the Commission. Public hearing on the application does not appear necessary.

It is clear that applicant must have relief from his present rate of losses if his services are to be maintained. In the circumstances here shown, the Commission is of the opinion, and finds as a fact, that the increases in fares which applicant seeks are justified. The application in this respect will be granted. Also will be granted the requested authority to establish the increased fares on five days' notice to the Commission and to the public. Such action is justified by applicant's

² On the basis of 1960 operations, the staff estimated that the continuing loss would be \$3,910 and that the corresponding operating ratio would be 123.8 percent. This estimate was likewise calculated as though the increased fares would have been in effect throughout the 12-month period. The staff's estimate of expenses is somewhat higher than that of applicant's, a fact which largely accounts for the larger loss estimate of the staff.

need for relief from his relatively substantial losses as soon as possible. For like reason the order herein will be made effective in ten days.

Good cause appearing,

IT IS HEREBY ORDERED that Jack A. Roesch, doing business as Western Trail Stages, be, and he hereby is, authorized to establish, on five days' notice to the Commission and to the public, the increased fares which are set forth in Exhibit "C" attached to his application in the above-numbered proceeding.

IT IS HEREBY FURTHER ORDERED that the authority herein granted be, and it hereby is, made subject to the following conditions:

1. In addition to the required filing of tariffs, Jack A. Roesch shall give notice of the increased fares to the public by posting in his buses and at his terminals an explanation of the fare changes herein authorized. Such notices shall be posted not later than five days before the effective date of the fare changes and shall remain posted until not less than ten days after said effective date.
2. The authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

This order shall become effective ten days after the date hereof.

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

Ernest A. ...
President

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Theodore Jensen
Commissioners