

ORIGINAL

Decision No. 63855

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
HOWARD W. KELLER, dba CHICO TRANSIT
LINES, for an ex parte order for
authority to increase fares and
revise certificated passenger routes.

Application No. 44319
(Filed April 4, 1962)

OPINION AND ORDER

Applicant provides a local bus service in and about Chico. By this application, he seeks authority to increase passenger fares and to change certain of the routes of operation. The present fares and proposed fares are:

	<u>Present</u>	<u>Proposed</u>
Adult Fare	15c	25c
Children's School Ticket	10/90c	10/\$1.

The route changes are necessitated primarily by the establishment of one-way streets in the City of Chico. Applicant also seeks authorization to serve, as a special school route, between St. John the Baptist Parochial School, on the one hand, and points served on his regular routes, on the other.

Copies of the application have been served and notices of the proposed fare increases have been posted in accordance with the Commission's procedural rules. No protests have been received by the Commission.

Facts pertaining to the applicant's operations are set forth in the application and in a report of a study made by an engineer of the Commission's staff. The report, which is dated May 25, 1962, is received in evidence herein as Exhibit No. 1.

Applicant has conducted operations at a loss. Applicant and the staff presented estimates of the results of operations for a rate year under the proposed fares. Those estimates are set forth in Table I.

TABLE I
CHICO TRANSIT LINES
Estimated Results of Operation
For a Rate Year at Proposed Fares

	<u>Applicant</u>	<u>Staff</u>
<u>Revenues</u>		
Adult Fares	\$16,800	\$15,475
School Tickets	-	240
Parochial School	<u>680</u>	<u>700</u>
Total	\$17,480	\$16,415
<u>Expenses</u>		
Repairs & Tires	\$ 2,185	\$ 2,215
Drivers' Wages	5,325	5,325
Fuel & Oil	1,790	1,507
Traffic	25	20
Insurance	857	1,321
Office Expense	2,880	3,420
Depreciation	2,433	-
Operating Taxes	1,332	1,367
Rent	<u>180</u>	<u>-</u>
Total	\$17,007	\$15,175
Net Income	\$ 473	\$ 1,240
Operating Ratio	97.3%	92.4%

There are differences in the estimates; however, only one is so significant as to require comment. Applicant acquired Chico Transit Lines and Chico Paradise Stage Lines pursuant to authority granted in Decision No. 61500 dated February 14, 1961, in Application No. 43012. The purchase price of the operations was \$10,000. Applicant is attempting to amortize the purchase price by taking depreciation on equipment that already had been fully depreciated on the books of the company.

We find that the estimates of operating revenues and expenses submitted by the staff and shown in Exhibit No. 1 reasonably represent the results of the operation by applicant for a future rate year at the proposed fares and they are adopted for the purposes of this proceeding. Based upon those results, and upon other facts related in the application and in Exhibit No. 1, we find that the proposed increased fares are justified.

We further find that public convenience and necessity require the operation by applicant of a passenger stage service over the routes and between the points as proposed in his application.

Because of the losses being sustained by applicant under the present fares the order herein will be made effective this date and applicant will be authorized to establish the proposed increased fares on less than thirty days' notice; therefore,

IT IS ORDERED that:

1. Howard W. Keller, doing business as Chico Transit Lines, is authorized to establish the increased fares proposed in Application No. 44319.

2. The tariff publications authorized to be made as a result of ordering paragraph 1 hereof may be made effective not earlier than five days after the effective date hereof on not less than five days' notice to the Commission and to the public.

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

4. In addition to the required posting and filing of tariffs, applicant shall give notice to the public by posting in his buses a printed explanation of the increased fares. Such notice shall be

posted not less than five days before the effective date of the increased fares and shall remain posted for a period of not less than thirty days.

5. A certificate of public convenience and necessity be and it is granted to Howard W. Keller authorizing him to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, between the points and over the routes more particularly set forth in Appendix A hereof.

6. Appendix A of Decision No. 61500 is amended by incorporating therein First Revised Page 1 and Original Page 1A, attached hereto, in revision of Original Page 1.

7. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations:

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that he will be required, among other things, to file annual reports of his operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 98 and insurance requirements of the Commission's General Order No. 101-A. Failure to file such reports, in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Orders Nos. 98 and 101-A, may result in a cancellation of the operating authority granted by this decision.
- (b) Within one hundred twenty days after the effective date hereof, applicant shall establish the service herein authorized and file in the Commission's office in triplicate tariffs and timetables satisfactory to the Commission.
- (c) The tariff and timetable filings shall be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and the

public, and the effective date of the tariff and timetable filings shall be concurrent with the establishment of the service herein authorized.

- (d) The tariff and timetable filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 79 and 98.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 26th day of JUNE, 1962.

Geoffrey W. Rogers
President

Arthur E. Mitchell

George G. Traver

Fredrick W. Hoffhoff

Commissioners

Commissioner C. Lynn Fox, being necessarily absent, did not participate in the disposition of this proceeding.

Edward W. Keller, doing business as Chico Transit Lines, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport passengers between points and places within the City of Chico and vicinity over and along the routes as hereinbelow described:

ROUTE #1 - "A" LINE

Commencing at the intersection of Main and East Fourth Streets, north on Main to Esplanade, north on Esplanade to East Third Ave., east on East Third Ave. to Mangrove Ave., south on Mangrove Ave. to East First Ave., east on East First Ave. to Arbutus Ave., south on Arbutus Ave. to Filbert Ave., east on Filbert Ave., to Madrone Street, north on Madrone Street to Hawthorne Ave., west on Hawthorne Ave. to Verbena Lane, north on Verbena Lane to East First Ave., west on East First Ave. to Dow Ave., north on Dow Ave. to Lindo Ave., west on Lindo Ave. to Sherman Ave., south on Sherman Ave. to East Seventh Ave., west on East Seventh Ave. to Palm Ave., north on Palm Ave. to East Eighth Ave., west on East Eighth Ave. crossing Esplanade to Arcadian Ave., south on Arcadian Ave. to West Sixth Ave., west on West Sixth Ave. to Warner Street, south on Warner Street to West Second Ave., east on West Second Ave. to Esplanade, south on Esplanade to Broadway (via Shasta Road), south on Broadway to West Fifth Street.

ROUTE #2 - "B" LINE

Commencing at West Fifth Street and Broadway, south on Broadway to West Eighth Street and Oroville Ave., south on Oroville Ave. to West Eleventh Street, west on West Eleventh Street to Normal Ave., south on Normal Ave. to West Twentieth Street, east on West Twentieth Street across Park Ave. to Mulberry Street, north on Mulberry Street to East Fifteenth Street, east on East Fifteenth Street via Boucher Street to Cleveland Ave., east on Cleveland Ave. to Fetter

Issued by California Public Utilities Commission.

Decision No. 63856, Application No. 44319.

ROUTE #2 - "B" LINE (Contd.)

Street, north on Fetter Street to Virginia Street, west on Virginia Street to Bruce Street, north on Bruce Street to Bartlett Street, north on Bartlett Street to East Eighth Street, west on East Eighth Street to Main Street, north on Main Street to East Fourth Street.

SPECIAL SCHOOL SERVICE AREA

Between St. John the Baptist Parochial School, on the one hand, and points on and along Routes Nos. 1 and 2, on the other hand.

Motor vehicles may be turned at termini and intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections, or in accordance with local traffic rules.

Issued by California Public Utilities Commission.

Decision No. 63856, Application No. 44319.