

**ORIGINAL**Decision No. 64167

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 HORACE SIMMONS, doing business as )  
 Vaca Valley Bus Lines, for an order )  
 pursuant to Section 454 of the Pub- )  
 lic Utilities Code authorizing the )  
 establishment of increased fares )  
 for transportation of passengers )  
 between Fairfield and Vacaville, )  
 California, and Travis Air Force )  
 Base. )

Application No. 44513

OPINION AND ORDER

Horace Simmons, doing business as Vaca Valley Bus Lines, is engaged in operating a passenger bus service between the cities of Fairfield and Vacaville and Travis Air Force Base, all in Solano County, California. In this application he seeks an increase in the local adult fares from 30 to 35 cents; the applicant has not requested an increase in commute fares.

The application alleges that the only tariffs to be changed by the proposed increase will be California P.U.C. Tariff No. 2, filed with this Commission on January 15, 1954, and California P.U.C. Tariff No. 3, filed on November 25, 1956, which amended the first mentioned tariff.

The application further alleges that the applicant's fare structure has been in existence for more than eight years, during which time applicant's operating costs have increased substantially; that applicant's patronage has not been adequate to absorb such increased operating costs, and the returns from applicant's business are therefore not commensurate with the increased operating costs and do not give a fair return to the applicant for his investment and his efforts; that if the applicant did not personally operate a motor

coach, thus saving the additional operating expense of another employee, applicant's operations would result in a net loss:

The results of operations may be summarized as follows:

Item	Present Fares		Proposed Fares	
	Applicant	CPUC Staff	Applicant	CPUC Staff
	12 Months	12 Months	12 Months	12 Months
	Ending	Ending	Ending	Ending
	12-31-61	6-30-63	6-30-63	6-30-63
<u>Operating Revenues</u>				
Passenger Revenue .....	\$57,577.98	\$60,500	\$63,531.47	\$69,400
Other Revenue .....	11,966.04	18,500	11,966.04	18,500
	<u>69,544.02</u>	<u>79,000</u>	<u>75,497.51</u>	<u>87,900</u>
Less Ticket Commissions and Greyhound Equipment				
Rental .....	16,429.36	-	17,015.33	-
Total .....	<u>53,114.66</u>	<u>79,000</u>	<u>58,482.18</u>	<u>87,900</u>
<u>Operating Expenses</u>				
Transportation Expense ..	40,960.08	71,800	40,960.08	74,400
Other Charges .....	262.27	-	262.27	-
Depreciation .....	2,967.32	2,600	2,967.32	2,600
Taxes and Licenses .....	2,533.43	6,100	2,533.43	6,100
Rent .....	1,680.00	2,700	1,680.00	2,700
Total .....	<u>48,403.10</u>	<u>83,200</u>	<u>48,403.10</u>	<u>85,800</u>
Net Operating Income				
before Income Tax .....	4,711.56	(4,200)	10,079.08	2,100
Income Taxes .....	764.00	-	2,120.20	525
Net Operating Income	<u>3,947.56</u>	<u>(4,200)</u>	<u>7,958.88</u>	<u>1,575</u>
Rate Base .....	10,483.15	10,100	7,903.69	10,100
Operating Ratio .....	94.25%	105.3%	89.52%	97.6%
Rate of Return .....	37.76%	-	99.31%	15.6%

(Red Figure)

NOTE: Applicant did not include any amount or amounts for his time devoted to the operation. The staff's figures reflect allowances therefor by way of repairs, drivers' wages and office salaries.

Applicant utilizes two airport limousine type, 29-passenger vehicles and one standby in the conduct of his services.

Copies of the application were served upon the cities of Vacaville and Fairfield and on the Transportation Officer at Travis

Air Force Base. Notices have been posted by the applicant to advise his customers that he has applied to this Commission for authority to increase fares. The Commission has not been informed of any opposition to the granting of the authority sought. The Commission staff recommended that the requested fare increase be granted. Upon consideration of all of the facts and circumstances, we find that the proposed increase in fares is justified and that a public hearing is not necessary. In view of the need for relief, the applicant will be authorized to make the increase effective on less than thirty days' notice; therefore,

IT IS ORDERED that:

1. Horace Simmons is authorized to establish the increased fare proposed in the application filed herein. Tariff publications authorized to be made as a result of the order herein may be made effective not earlier than the tenth day after the effective date hereof on not less than ten days' notice to the Commission and to the public.

2. In addition to the required posting and filing of tariffs, applicant shall give notice to the public by posting in its buses and terminals a printed explanation of the increase in fares. Such notice shall be posted not less than five days before the effective date of the fare changes and shall remain posted until not less than thirty days after said effective date.

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

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

Dated at San Francisco, California, this 28th day of August, 1962.

George J. Grover  
President

[Signature]

[Signature]

Fredrick B. Halperin

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.