

ORIGINALDecision No. 66073

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of)
 PEERLESS STAGES, INCORPORATED) Application No. 45499
 requesting authority to increase)
 its express rates.)

OPINION AND ORDER

Peerless Stages, Incorporated, is engaged in the transportation of passengers and express as a passenger stage corporation. It conducts urban and interurban operations serving Oakland, San Jose, Santa Cruz and Palo Alto. It here seeks authority to increase express rates. There are no protests.

Applicant's present express rates, which became effective January 7, 1952, provide rates for distances not more than 50 miles and for distances over 50 miles. It proposes to establish other scales of rates instead of the aforementioned two scales. A comparison of the proposed rates with the present rates follows:

EXPRESS RATES IN DOLLARS

Weight of Shipment in Pounds	Distance in Miles					
	25 & Under ⁽¹⁾	Over 25 Not Over 50		Over 50		Over 75
		Proposed	Pres.	Prop.	Pres.	Prop.
Not over 2 ⁽²⁾	.85	.75	.85	.80	.90	.95
Over 2 Not over 10	.90	.75	.95	.80	1.00	1.10
Over 10 Not over 20	.95	.80	1.00	.90	1.10	1.15
Over 20 Not over 30	1.00	.90	1.10	1.10	1.20	1.35
Over 30 Not over 40	1.05	.90	1.15	1.10	1.35	1.50
Over 40 Not over 50	1.10	1.00	1.25	1.30	1.45	1.70
Over 50 Not over 60	1.15	1.00	1.30	1.30	1.60	1.85
Over 60 Not over 70	1.20	1.10	1.40	1.50	1.75	2.05
Over 70 Not over 80	1.25	1.10	1.50	1.50	1.85	2.25
Over 80 Not over 90	1.30	1.20	1.55	1.70	2.00	2.40
Over 90 Not over 100	1.35	1.20	1.65	1.70	2.10	2.60

(1) Scale of present rates same as those shown for over 25 but not over 50 miles.

(2) Present rate scales provide rates "under 10 pounds".

The proposed rates are identical to the express rates maintained by Western Greyhound Lines. Applicant has a joint tariff with Western Greyhound Lines and it contends that the present difference in rates has resulted in much confusion and in many adjustments in billings. Applicant also pointed out, in support of the authority sought, that the level of its express rates has been unchanged since January 1952 although the cost of providing service has increased greatly since then.

Exhibits attached to the application show that the proposed increase will provide a maximum additional revenue of \$10,700 which is an increase of about 29.2 percent. The above estimate was developed from an analysis of waybills of express shipments transported during the period May 6 through May 10, 1963. All shipments which weighed 10 pounds or less were assumed to have weighed 10 pounds. Because the proposed rate scale provides separate charges for shipments weighing 2 pounds or under, the estimated additional revenue is overstated.

For the year 1962 applicant had an operating loss of \$110,222. By Decision No. 64730, dated January 2, 1963, in Application No. 44390, Peerless was authorized to make certain changes in its passenger fare structure and in its operations, the effect of which would improve its net revenue position by approximately \$17,500. Said amount, together with the estimated \$10,700 additional express revenue will not offset applicant's operating loss. We find that the proposed increases are justified. A public hearing is not necessary.

IT IS ORDERED that:

1. Peerless Stages, Incorporated, a corporation, is authorized to establish the increased express rates proposed in Application No. 45499, as amended. Tariff publications authorized to be made

as a result of the order herein may be made effective not earlier than ten days after the effective date hereof on not less than ten days' notice to the Commission and to the public.

2. The authority herein granted 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 24th day of SEPTEMBER, 1963.

William J. Bennett
President
John E. DeLoach
Walter R. Rife
George T. Grover
Frederick B. Holcomb
Commissioners