

ORIGINALDecision No. 66507

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SAN MATEO-BURLINGAME)	
TRANSIT COMPANY for authority to)	Application No. 45660
increase fares, suspend certain)	(Second Amendment
operations and reroute two present)	Filed December 11, 1963)
lines. }	

INTERIM OPINION

This opinion deals with the Second Amendment to the application wherein applicant seeks emergency interim increases in certain of its fares for the transportation of passengers.^{1/}

Applicant is a passenger stage corporation. Insofar as this opinion is concerned, it transports passengers within and between Burlingame, San Mateo, Hillsborough and Belmont.^{2/} By the second amendment to the application, it seeks the following adjustments in fares for this service:

1. To increase one-way adult fares by 5 cents.
2. To increase fares for children under five years of age occupying a seat and for children five years and over but under twelve years of age to the full adult fares.

^{1/} By the original application and the first amendment, applicant seeks to adjust virtually all of its fares, to curtail some of its currently authorized operations and to inaugurate service to the newly constructed campus of the College of San Mateo. The second amendment was filed for emergency fare relief pending determination of the broader issues encompassed by the original application and the first amendment.

^{2/} Applicant also has authority to transport passengers between certain peninsula points and Candlestick Park and on an on-call basis between Hayward and San Mateo. In addition, applicant operates as a charter-party carrier of passengers.

3. To increase student commutation tickets from \$1.50 for 10 rides to \$2.00 for 10 rides.

Applicant alleges that its plight is desperate. It asserts that it had an operating loss of \$2,850 in 1962 and that for the period from January through November 1963 its operations resulted in a loss of \$21,364.80.

On or about June 1, 1963 applicant suspended operations due to a strike by its bus drivers. Following settlement of the strike, service was resumed on a limited basis on or about September 10, 1963. Additional service has been resumed from time to time since that date.

Applicant alleges that settlement of the strike has resulted in additional operating costs which will be reflected in current and future operations. It estimates that by the time the original application and the first amendment are set for hearing, hearings held and the evidence evaluated, at least two to four months will elapse. During this period applicant says it will need relief desperately. Without interim relief, applicant alleges, it may founder by complete impairment of its operation, its system and its assets.

The Commission staff has made preliminary analyses of applicant's operations. The following tabulation sets forth the staff's preliminary estimate of applicant's results of operation of the certificated service for the rate year of 1964 under present and applicant's proposed fares.^{3/}

^{3/} This estimate is based on the current level of service and traffic. The estimated annual bus miles are 37 percent of those operated prior to the strike and the corresponding percentage for passengers is 33.

	<u>Present Fares</u>	<u>Proposed Fares</u>
Estimated Miles to be Operated in Certificated Service	89,170	89,170
Estimated Passenger Revenue	\$ 32,200	\$ 37,800
<u>Expenses Estimates</u>		
Driver's Pay	\$ 18,150	\$ 18,150
Other Expenses	<u>21,850</u>	<u>21,850</u>
Total Expenses	40,000	40,000
Operating Loss	\$ 7,800	\$ 2,200

The Commission's records show that applicant has not increased the fares in question since November 16, 1959.

It is clear that increases in applicant's adult fares are justified. Normally children's fares should be on a lower basis than adult fares. The partial record herein is not persuasive that interim adjustments should be made in these fares at this time. The Commission is of the opinion, and finds, that adjustments, if any, in children's fares of applicant should await consideration on the broader record to be developed in this proceeding.

The student commutation fares are somewhat akin to the children's fares. While it is clear that applicant is in need of additional revenues, increases in student commutation fares to the level sought does not appear warranted. The Commission is of the opinion, and finds, that increases in such fares to \$1.75 for 10 rides are justified.

The Commission concludes that the second amendment to this application should be granted to the extent set forth in the ensuing order. In other respects, it should be denied. Application No. 45660 and the First Amendment thereto will be kept open for the receipt of further evidence at a time and place to be set.

In view of the indicated urgent need for additional revenues, the increased fares hereinabove found justified will be authorized to be established on less than statutory notice.

INTERIM ORDER

IT IS ORDERED that:

1. San Mateo-Burlingame Transit Company is authorized to increase its adult one-way fares set forth in Section No. 1 of its Local Passenger Tariff No. 4, Cal. P.U.C. No. 4 (series of R. K. Withers and A. C. Byrd, doing business as San Mateo Transit) by five cents each and to increase the student commutation fares set forth in Item No. 32 of said tariff from \$1.50 for 10 rides to \$1.75 for 10 rides. 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 granted herein shall expire unless exercised within thirty days after the effective date of this order.
3. 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 its fares. Such notice shall be posted not less than five days before the effective date of the fare changes and shall remain posted for a period of not less than thirty days.

4. In all other respects, the Second Amendment to Application No. 45660 is hereby denied.

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

Dated at San Francisco, California, this 10th day of DECEMBER, 1963.

William W. Bonds
President
George G. Grover
Frederick B. Hallock

Commissioners

Commissioner George G. Grover, being necessarily absent, did not participate in the disposition of this proceeding.