

**ORIGINAL**Decision No. 73037

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of SAN JOSE CITY LINES, INC. for )  
an interim increase in certain )  
rates of fares by ex parte order )  
to offset increased costs. )

Application No. 49571  
(Filed July 27, 1967,  
Amended August 7, 1967)

O P I N I O N

San Jose City Lines, Inc., is engaged in the operation of an urban passenger stage corporation in the Cities of San Jose and Santa Clara and areas adjacent thereto. It seeks authority to increase fares as follows:

- (a) Increase present basic cash fare of twenty cents to twenty-five cents.
- (b) Increase present token rate of fare of five tokens for ninety cents to five tokens for ninety-five cents.
- (c) Increase present cash fare of twenty cents to twenty-five cents for occasional and seasonal service to county fair grounds.

The present fares were authorized by the Commission in its Decision No. 68503, dated January 19, 1965 in Application No. 46727.

The application states that for the six month period ended June 30, 1967, applicant had a loss of \$5,743. A wage agreement between applicant and its employees expired June 30, 1967, and after lengthy negotiations commencing in May, agreement was reached July 8, 1967 on the terms and conditions of a new contract retroactively effective on July 1, 1967 and extending for a two year period ending June 30, 1969. The new contract provides for increases in hourly basic wage rates, sick pay, vacations, health and welfare and other benefits which applicant estimates will result in additional expense

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amounting to approximately \$41,489 for the twelve month period August 1, 1967 to July 31, 1968. The application also states that applicant has ordered five new buses at a total cost of approximately \$140,000 which will be delivered in August and October 1967. It estimates the depreciation charges from the dates of delivery to August 31, 1968 will amount to \$7,239. It estimates that the proposed fare increases will provide approximately \$44,477 additional gross passenger revenue which represents an increase of approximately 5.2 percent.

The Commission's Transportation Division is currently engaged in an overall study of applicant's service and operations which is planned to be completed by October 15, 1967. The Passenger Section has examined the application, labor contracts, timekeeping records, payroll, seniority rosters and other data of applicant, and an analysis thereof indicates that the estimated increases in revenue and expenses set forth in the application are reasonable and reflect the conditions for the stated period.

Copies of the application were served upon the cities affected thereby. No protests have been received. Further review of the fares, service and operations of applicant may be made if the facts disclosed in the study currently being made so warrant. We find that the proposed increases have been shown to be justified.

Applicant requests authority to make the proposed increases effective on five days' notice. Said authority is reasonable and is justified.

We conclude that the application should be granted and that a public hearing is not necessary.

ORDER

IT IS ORDERED that:

1. San Jose City Lines, Inc. is authorized to establish the increased fares proposed in Application No. 49571, as amended. Tariff publications authorized to be made as a result of the order herein 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.

2. The authority herein granted shall expire unless exercised within ninety 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.

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

Dated at San Francisco, California, this 6<sup>th</sup> day of SEPTEMBER, 1967.

[Signature]  
President  
[Signature]  
[Signature]  
[Signature]  
Commissioners