

**ORIGINAL**

Decision No. 74317

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of ISLAND BOAT  
SERVICE for Authority to  
Increase Rates

) Application No. 50245  
)  
) (Filed May 17, 1968)

O P I N I O N

Island Boat Service is engaged in the business of transporting persons and their baggage, as a common carrier by vessel, between points on Santa Catalina Island. By this application it seeks authority to increase its fares by about 20 percent on five days' notice to the Commission and to the public.

Applicant states that the financial results of its operations under its present fares during the past three years have been as follows:

	<u>1965</u>	<u>1966</u>	<u>1967</u>
<u>Revenues</u>			
Passengers	\$ 9,643	\$ 8,708	\$11,147
Mail	<u>300</u>	<u>300</u>	<u>300</u>
Total Revenues	\$ 9,943	\$ 9,008	\$11,447
<u>Expenses</u>	<u>\$11,444</u>	<u>\$10,795</u>	<u>\$10,842</u>
<u>Net Operating Revenues</u>	(\$ 1,501)	(\$ 1,787)	\$ 606

( ) Indicates Loss

With reference to its operations during 1968, applicant expects that said operations will result in a loss. It reports

that the rental which it pays for the Blanche W, the vessel which it uses in its operations, has been increased from \$86 per day to \$130 per day. This increased rental will result in an increase of approximately \$2,200 in applicant's expenses for the 1968 season.<sup>1/</sup> Assuming that approximately the same number of passengers will be transported during 1968 as were transported during 1967, applicant predicts that its operations during 1968 will result in a loss of \$2,336 under present fares. It estimates that even under the increased fares it will not be able to achieve a profit, but that it will be able to reduce its rate of loss to about \$490.

The Commission's staff has reviewed the records of applicant and recommended that the application be granted.

The filing of this application was reported in the Commission's calendar of May 20, 1968. No protests thereto have been received. The City of Avalon has considered the matter, and has informed the Commission that it is not in opposition to the requests. In the circumstances public hearing on this application is not necessary.

Upon consideration of applicant's showing and our staff's analysis in this matter, we find that:

1. Applicant is incurring losses from its operations under present fares.
2. The establishment of the increased fares would serve to bring the operations more nearly to a self-sustaining basis.
3. The sought increases in fares have been shown to be justified.

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<sup>1/</sup> Applicant operates on a seasonal basis from about June 10 to September 10 of each year.

The fare increases should be authorized. In view of the seasonal nature of applicant's operations and of applicant's request that it be permitted to make the increased fares effective as soon as possible, authority will be granted to establish said fares on five days' notice to the Commission and to the public. The order herein will be made effective one day after the date thereof.

O R D E R

IT IS ORDERED that:

1. Island Boat Service is authorized to amend its Local Passenger Tariff No. 1, Cal. P.U.C. No. 1, to establish the increased fares which are set forth in Appendix "A" attached hereto, which appendix is made a part hereof by this reference. Tariff publications authorized to be made as a result of the order herein shall be filed not earlier than the effective date of this order, and 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 filing of tariffs, Island Boat Service shall give notice to the public of the fare changes herein authorized by posting in its terminals and in the vessel

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used in its operations a printed explanation of said fare changes. Such notice shall be posted not later 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.

This order shall become effective one day after the date hereof.

Dated at San Francisco, California, this 25<sup>th</sup>  
day of JUNE, 1968

*Robert L. Mitchell*  
President

*William W. Bennett*

*Augusta*

*William J. ...*

*Shed P. Monsey*  
Commissioners

## APPENDIX A

Proposed Fares Per One-Way Ride  
Between Avalon, Emerald Bay and Intermediate Points

	<u>Gallagher's Beach</u>	<u>Toyon Bay</u>	<u>White's Landing</u>	<u>Camp Fox</u>	<u>Empire Landing</u>	<u>Isthmus Cove</u>	<u>Emerald Bay</u>
<u>Adult:</u>							
Avalon	\$1.10	\$1.10	\$1.10	\$1.10	\$1.25	\$1.65	\$2.20
Gallagher's Beach		1.10	1.10	1.10	1.10	1.10	1.65
Toyon Bay			1.10	1.10	1.10	1.10	1.55
White's Landing				1.10	1.10	1.10	1.40
Camp Fox					1.10	1.10	1.35
Empire Landing						1.10	.90
Isthmus Cove							1.10
<u>Child:</u>							
Avalon	.55	.55	.55	.55	.65	.85	1.10
Gallagher's Beach		.55	.55	.55	.65	.65	.85
Toyon Bay			.55	.55	.65	.65	.80
White's Landing				.55	.55	.55	.70
Camp Fox					.55	.55	.70
Empire Landing						.55	.55
Isthmus Cove							.55

(End)