

Decision No. 76666

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of JACK SIMS, DOYLE SIMS, and EDWIN
FERGUSON, copartners, doing business
as ANCHOR BUS COMPANY, under
Section 454 of the Public Utilities
Code of the State of California for
authority to increase passenger
fares between Fresno and Lemoore
Naval Air Station and between Fresno
and Lemoore, California.

Application No. 51424
(Filed October 15, 1969)

O P I N I O N

Anchor Bus Company, Inc.^{1/} operates as a passenger stage corporation for the transportation of passengers and their baggage between Fresno and Lemoore Naval Air Station and intermediate points.^{2/} In addition applicant operates as a charter-party carrier of passengers. This application seeks authority to increase fares as follows:

Between Fresno and:	Fare in Cents			
	One Way		Round Trip	
	<u>Present</u>	<u>Proposed</u>	<u>Present</u>	<u>Proposed</u>
Lemoore NAS	150	190	250	290
Lemoore	125	155	250	250

^{1/} The application herein was filed in the name of Jack Sims, Doyle Sims and Edwin Ferguson, doing business as Anchor Bus Company. Decision No. 76501, dated December 2, 1969 authorized transfer of the operating authority and assets of the partnership to the corporation.

^{2/} Applicant also operates between Fresno and Lemoore and intermediate points, and between said points and Armona and Hanford.

The application states that fare increases are proposed between the principal terminal points that generate most of applicant's traffic. No increases are proposed to, from, or between intermediate points that generate very little traffic.

Attached to the application are a balance sheet as of June 30, 1969; statements of revenues and expenses for the six-month period ended June 30, 1969 for applicant's total operations and for its certificated operations; and an explanation of the methods followed by applicant in allocating operating expenses and administrative expenses between regularly scheduled service and other services of applicant. These data show that applicant's total operations, including its regularly scheduled bus service, its charter operations, and its commissions on sale of tickets for other bus companies resulted in a profit for the six-month period of \$3,376 and an operating ratio before taxes of 91.72 percent.

The following table is a summary of applicant's estimate of the results of operations for the same six-month period for its passenger stage corporation service only.

TABLE I

Anchor Bus Company Statement of Revenues and Expenses
For the Six-Month Period Ended June 30, 1969
For Regularly Scheduled Operations

<u>Revenues</u>		
Local	\$12,781	
Local-Commuter	378	
Commissions	16,477	
Express	677	
		<u>\$30,313</u>
<u>Expenses</u>		
Operating	\$31,004	
Administrative and General	2,154	
		<u>\$33,158</u>
Operating Loss		\$ 2,845
Operating Ratio		109.47

The application states that applicant's charter operations, together with commissions received from the sale of tickets for other bus companies, more than offset the loss from applicant's passenger stage corporation service. The application states that proposed increases in fares average approximately 25 percent and are designed to produce additional passenger stage corporation revenues approximately equal to the loss from said operations incurred during the first six months of 1969. The application indicates that if the proposed fares had been in effect during the six-month period ended June 30, 1969, applicant's regularly scheduled operations would have produced revenues of about \$33,500 which, compared with expenses of \$33,158 set forth in Table I, would have resulted in a very small profit for the period.

A staff engineer in our Transportation Division has prepared a report on the operations of this company which will be received as Exhibit 1. Exhibit 1 shows that with the requested fares the scheduled operation will still show a loss after providing reasonable compensation for the partners and that the total operation will produce an estimated annual profit of \$6,800 and an operating ratio of 92.6% before provision for income taxes.

The application indicates that it was served upon the Commandant of the Lemoore Naval Air Station and upon the clerk and/or the city or county attorney of the cities and the county in which applicant operates. Also, notice of the filing of the application appeared on the Commission's Daily calendar of October 16, 1969. There are no protests or request for hearing.

The Commission finds that:

1. Applicant's passenger stage corporation operations were conducted at a loss for the six-month period ended June 30, 1969 (Table I).

2. Applicant also conducts operations as a charter-party carrier of passengers and engages in ticket sales for other passenger stage corporations. For the six-month period ended June 30, 1969 applicant's total operations produced revenues of \$40,837, expenses of \$37,461 and net operating revenues (before provision for compensation of partners and for income taxes) of \$3,376, with an operating ratio of 91.72 percent.

3. If the fare increases sought herein are placed in effect, applicant's passenger stage corporation operations will still result in a slight loss; however, the overall operations will produce an annual profit of \$6,800 with an operating ratio of 92.6% (before taxes).

4. Applicant is in need of additional revenues for its passenger stage corporation operations.

5. The increased fares sought herein are justified.

6. A public hearing is not necessary.

The Commission concludes the application should be granted.

O R D E R

IT IS ORDERED that:

1. Jack Sims, Doyle Sims and Edwin Ferguson, a partnership, or their successor, the Anchor Bus Company, Inc., are authorized to increase passenger fares as proposed in Application No. 51424.

A. 51424 ds

Tariff filings made as a result of the order herein may be filed not earlier than the effective date of the order herein and may be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and to the public.

2. The authority granted herein shall expire unless exercised within ninety days after the date hereof.

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

Dated at San Francisco, California, this
13th day of JANUARY, 1970.

William J. Sproule
President

Robert J. [illegible]
[illegible]

Vernon L. Sturgeon
Commissioners

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.