

ORIGINAL

Decision No. 77694

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of DOUGLAS BUS LINES, INC., a corporation, for authority to increase rates for the transportation of passengers between various locations in Orange County and Los Angeles County and the McDonnell-Douglas Aircraft Plant in Long Beach, and between various locations in Orange County and Los Angeles County and the Autonetics Plant in Fullerton.

Application No. 52062
(Filed July 23, 1970)

O P I N I O N

Douglas Bus Lines, Inc., is a passenger stage corporation. It seeks authority to increase fares by approximately 15 percent. Copies of the application were served upon the cities and the counties served by applicant, and upon Douglas Aircraft Co., Inc. (Douglas), and Autonetics Division of North American Aviation, Inc. (Autonetics). Notice of the filing of the application, and the amendment, appeared on the Commission's Daily Calendar. There are no protests.

Applicant's passenger stage operations consist of transporting the employees of the Douglas plant located in Long Beach and the employees of the Autonetics plant located in Fullerton between said plants and their homes located in various parts of Los Angeles County and Orange County. All fares charged are on a weekly basis; there are no one-way or round-trip fares.

Members of the Commission's Transportation Division and its Division of Finance and Accounts made studies of the operations and finances of applicant. The reports of those studies are received as Exhibits Nos. 1 and 2.

Financial statements appended to the application disclose that applicant operated at a loss for the year 1969 and the first five months of 1970.

Exhibit No. 1 sets forth estimates of the operating results of applicant under present fares and under proposed fares for a rate year. The estimates show an operating loss for the year under present fares (operating ratio 108.3%) and under proposed fares (operating ratio 103.9%).

Exhibit No. 1 states that applicant's passengers have been notified of the proposed increases in fares by notices posted in the buses. No objection or protests have been received by the Commission. The proposed increases are justified. A public hearing is not necessary.

Exhibit No. 2 discloses that applicant's books are in accordance with the requirements of the Commission's Uniform System of Accounts except that revenue is recorded on a cash basis. This should be changed to an accrual basis.

We conclude that the application should be granted. The application shows that applicant is in a precarious financial position. The order should be made effective on five days' notice to the Commission and the public.

ORDER

IT IS ORDERED that:

1. Douglas Bus Lines, Inc., a corporation, is authorized to establish the increased fares proposed in Application No. 52062. 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 1st day of SEPTEMBER, 1970.

[Signature]
Chairman

[Signature]
Secretary

[Signature]
William Synors, Jr.

[Signature]
Commissioners