

ORIGINAL

Decision No. 78111

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Thoburn S. Haworth,)
 Bryan W. Haworth, Ruth S. Haworth)
 and Margaret Haworth, partners,)
 doing business as ORANGE BELT)
 STAGES, for an order authorizing)
 an increase in intrastate passen-)
 ger fares.)

Application No. 51978
 (Filed June 19, 1970;
 Amended October 23, 1970)

Chickering & Gregory, by F. S. Bayley,
 Attorney at Law, for applicants.
Charles J. Astrue, for the Commission
 staff.

O P I N I O N

The original application sought an increase in applicants' fares to the level allegedly charged by Greyhound on intrastate operations. The application alleged that the increases were necessary to offset increased labor and other costs incurred since the last rate proceeding (Decision No. 73224 in Application No. 49267 (1967)).

Applicants carry both intrastate and interstate passengers, baggage and express, all between points in California. Their routes include Visalia-Woodlake and routes between the following and Bakersfield: Hanford-Visalia, Barstow, Paso Robles-Wasco, and Arvin. They also operate certificated intrastate charter service.

The fare structure proposed by the original application was:

<u>One-Way Distance Fares</u>					
<u>Over</u>	<u>But Not Over</u>	<u>Rate Per Mile (In Cents)</u>		<u>With No Fare Less Than Fare For</u>	<u>Amount of Increase (In Cents)</u>
		<u>Present</u>	<u>Proposed</u>		
0	25	3.54	4.35	Minimum Fare	.81
25	50	3.31	4.07	25 miles	.76
50	-	3.12	3.84	50 miles	.72

Minimum Fare 40 cents (10-cent increase)
Round-trip Fare 180% of one-way fare.

One-way fares less than 60 cents and not ending in "0" or "5" cents and any round-trip fares less than \$1 and not ending in "0" or "5" cents shall be increased to the next higher amount ending in "0" or "5" cents, as the case may be. Any one-way fares greater than 60 cents and any round-trip fares greater than \$1.10 shall be rounded to the nearest cent, one-half cent being considered nearest to the next higher cent.

The application also proposed cancellation of \$25 scrip books and Local Excursion Notice N-3, Cal. P.U.C. No. 8 (issued June 24, 1944) and Local Passenger Tariff 5-T, Cal. P.U.C. No. 8 (issued May 25, 1955), which established one-way fares from Minter Field to Bakersfield. A lack of demand was asserted for the scrip book, and applicants have abandoned service to Minter Field.

Prehearing conference was held before Examiner Gilman in San Francisco on October 15, 1970, at which time the staff disclosed the results of its study of applicants' financial data and results of operation. Copies of the formal staff report were subsequently furnished to applicants. No objection having been made by applicants, the report is hereby received in evidence as Exhibit No. 1.

The report shows that the proposed fare scale is the same as Greyhound's intrastate fare structure except for the omission of a beyond-100-mile fare block at 3.49¢ per mile. By amendment filed

October 23, 1970 applicants have incorporated this additional mileage block as part of their proposal.

The staff's analysis indicates that under the modified proposed fares applicants, during the rate year (ending September 30, 1971), would have earned \$12,700 with a 94.0% operating ratio and a 9.2% rate of return.

The amendment also gives notice that applicants have incorporated¹ and seek a substitution of Orange Belt Stages for the individual applicants. The findings, conclusions, and order which follow will be deemed applicable to Orange Belt Stages, a corporation.

On November 10, 1970 applicant filed certificates of posting at its depots which are accepted for filing as Exhibit No. 2. No protests have been received.

The Commission finds that:

1. The increase proposed by the amended application should allow applicant an operating ratio of 94.0% and a 9.2% rate of return.
2. The increase to said rates is justified and the rates as proposed are just and reasonable and the prior rates henceforward unjust and unreasonable.
3. There is no public demand for the scrip book rates. No traffic moves under the excursion rates.
4. No public hearing is necessary.

The Commission concludes that the application should be granted.

¹ Approved by Decision No. 77665 in Application No. 52079, dated August 25, 1970.

ORDER

IT IS ORDERED that:

1. Orange Belt Stages is authorized to establish the increased fares proposed in Application No. 51978. 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 thirty days after the effective date hereof on not less than thirty 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.

4. Applicant is authorized to cancel its scrip book and Minter Field fares.

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

Dated at San Francisco, California, this 22nd day of DECEMBER, 1970.

[Signature]
Chairman

[Signature]

[Signature]

[Signature]
Commissioners