

Decision No. 78274

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
BLUE & WHITE BUS COMPANY OF WATTS,)
INC., a California Corporation, for)
an order granting permission to)
increase fares.)

Application No. 52311

(Filed November 19, 1970;
amended January 29, 1971)

INTERIM OPINION AND ORDER

Applicant, Blue & White Bus Company of Watts, Inc., seeks authority to increase its fares on not less than five days' notice to the Commission and to the public.

Applicant's present and proposed fares are as follows:

	<u>Present</u>	<u>Proposed</u>
Fare per one-way ride		
Cash	20¢	30¢
Token	20¢ (a)	27¢ (b)
School fare, per one-way ride	11-1/4¢ (c)	16-7/8¢ (d)
Monthly pass	\$8.00	\$10.00
(a) 5 tokens, \$1.00		
(b) 5 tokens, \$1.35		
(c) 40-ride school ticket book \$4.50		
(d) 40-ride school ticket book \$6.75		

Applicant alleges that its fares were established at their present level more than two years ago; that since then it has experienced substantial increases in its operating costs; that its operations for the first seven months of 1970 resulted in a loss of more than \$10,000; that it will report a loss of

about \$32,000 for the full year 1970, and that applicant must be afforded immediate relief from this rate of loss if it is to continue in business.

That applicant is incurring losses as great as alleged under present fares has been confirmed by independent investigation by an engineer of the Commission's staff.^{1/}

Pending public hearing on the full amount of the fare increases which applicant seeks, and decision thereon, applicant should be afforded some relief from present losses that obviously are jeopardizing applicant's ability to continue serving the public.

It appears from data which were developed by the Commission engineer that increases of 5 cents in applicant's cash and token fares, of \$1.10 in the price of the 40-ride school tickets, and of \$1.00 in the price of the monthly passes, would produce about \$4,000 a month in additional revenues, and would thereby substantially reduce applicant's present rate of loss. We find that increases to this extent in applicant's fares are justified as an interim action. What further fare increases, if any, should be authorized should be developed at the public hearing to be held in this matter.

In view of the urgency of applicant's need for early relief from the losses under present fares, applicant will be authorized to establish the increased 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.

^{1/} The engineer estimated that for the year through March, 1972, applicant would incur a loss of \$68,600 if present fares are continued in effect throughout that time. The engineer's report is made part of the record herein as Ex Parte Exhibit No. 1.

IT IS ORDERED that:

1. Blue & White Bus Company of Watts, Inc., is authorized to establish increased fares as follows:

Fare, per one-way ride

Cash	25 cents
Token	25 cents (5 tokens, \$1.25)

School fare	14 cents*
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*40-ride school coupon book \$5.60

Monthly pass	\$9.00
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Amendments to applicant's tariff to be made as a result of this order 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 an explanation of its fares. Such notice shall be posted not less than five days before the effective date of the fare changes, and unless superseded shall remain posted for a period of not less than thirty days.

The effective date of this order shall be one day after the date hereof.

Dated at San Francisco, California, this 2nd day of FEBRUARY, 1971.

[Signature]
Chairman

[Signature]
Commissioners

Yuan L. Sturgeon