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ORIGINAL

Decision No. 78524

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of  
NORTHGATE TRANSIT CO., INC., For  
Authority to Increase Fares.

Application No. 52212  
(Filed September 25, 1970)

O P I N I O N

Northgate Transit Co., Inc. (hereinafter called Northgate) is a passenger stage corporation which operates within the City of Daly City, between the Westlake District of Daly City and the Stonestown shopping area in San Francisco and between Daly City and South San Francisco on five separate routes.

The verified application alleges that Northgate's fares have been in effect since 1965; that its costs of operation, including insurance and outside labor have increased since 1965; that it has upgraded its equipment since 1965 and that if it is to stay in business and its drivers are to earn a living wage, an increase in fares is necessary. Northgate's present and proposed fares are as follows:

<u>Fare Group</u>	<u>Present Fares</u>	<u>Proposed Fares</u>
<u>Adults</u>		
Monday through Friday-5:50 a.m. to 7:00 p.m.	\$.20	\$.25
Monday through Friday-7:00 p.m. to 10:10 p.m.	.20	.35
Saturdays	.20	.35
Sundays and Legal Holidays	.25	.35
<u>School Children (Through Senior High)</u>		
a. On direct trips - home to school and return during regular school terms	.15	.15
b. School children - other times	.20	.25
<u>South San Francisco-Daly City Route</u>		
Single Zone	.15	.25
Double Zone	.20	.35
Triple Zone	.25	-

Present Zones:

- Zone 1 Boundary - From San Jose and Mission to "A" Street and Mission.
- Zone 2 Boundary - From "A" Street and Mission to Old Mission Road and Evergreen Street.
- Zone 3 Boundary - From Evergreen and Old Mission Road to Grove and Cypress.

Proposed Zones:

- Zone 1 Boundary - From San Jose and Mission to Holy Cross Cemetery and Old Mission Road.
- Zone 2 Boundary - From Holy Cross Cemetery and Old Mission Road to Grand and Cypress Avenues.

While Northgate is a corporation, it is actually operated as an association of owner-operators who are self-employed. Northgate does not generally compile its operating revenues and expenses as an entity. The Commission staff conducted an investigation in connection with this application. The staff report resulting from the investigation is made a part of this record and designated as Exhibit 1.

The staff estimate of operations for the 12 months ending March 31, 1972 is as follows:

			:P.U.C. Staff Engineer	
			:Estimate 12 Months :	
			:Ending March 31, 1972:	
Line:	Reference :	Item	: Present :	Proposed :
No. :			Fares :	Fares :
1		Bus Miles Operated	455,800	455,800
2		Hours Driven	42,100	42,100
3		Passengers	923,600	856,500
<u>Revenues</u>				
<u>Passengers</u>				
4		Adult	\$156,300	\$190,800
5		School	23,000	23,000
6		Advertisements	500	500
7	L4,5,6	Total Revenue	\$179,800	\$214,300
<u>Expenses</u>				
8		Repairs, Servicing, Tires and Tubes	\$ 27,300	
9		Fuel and Oil	18,200	
10		Other Transportation Expense	500	
11		Tariff, Traffic and Advertising	300	
12		Insurance, Injuries and Damages	25,500	
13		Office, Salaries and Expenses	14,500	
14		Depreciation Expense	9,900	
15		Operating Taxes and Licenses	3,100	
16		Rent Paid	5,900	
17	L8 thru 16	Total Expenses	\$105,200	\$105,200
18	L7 less L17	Balance for Drivers' Wages and Return on Investment	\$ 74,600	\$109,100
19	L17,18 ÷ L7	Operating Ratio - Percent	100.0	100.0
20	L18 ÷ L2	Average Driver's Per Hour Rate	\$ 1.77	\$ 2.59

Copies of the application were served upon the District Attorney of San Mateo County, the City Attorneys of San Francisco and Daly City, the City Managers of South San Francisco and Pacifica and the Broadmoor Property Owner's Association. The Commission has received no protests against granting the application.

The Commission makes the following findings and conclusion.

Findings of Fact

1. A public hearing is not necessary in this matter.
2. Northgate is in need of increased revenues.
3. The estimated results of operations for 12 months ending March 31, 1972, in Table 1 of Exhibit 1 is fair and reasonable and should be adopted for purposes of this decision.
4. The increase in rates and charges proposed by Northgate is justified.

Conclusion of Law

Northgate should be authorized to increase its fares to those shown in Appendix A, attached hereto.

O R D E R

IT IS ORDERED that:


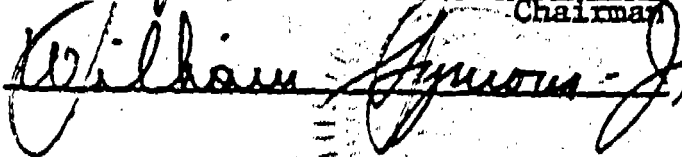

1. Northgate Transit Co, Inc. is authorized to establish the increased fares more particularly set forth in Appendix A and by this reference made a part hereof. Tariff publications authorized to be made as a result of the order herein may be made effective not earlier than ten days after the effective date hereof on not less than ten 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

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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 21<sup>st</sup> day of APRIL, 1971.

  
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Chairman  
  
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\_\_\_\_\_  
Commissioners

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

Commissioner D. W. Holmes, being necessarily absent, did not participate in the disposition of this proceeding.

Appendix A

Northgate Transit Co., Inc. is authorized to establish the following fares:

Fare Group

Adults

Monday through Friday-5:50 a.m. to 7:00 p.m.	\$ .25
Monday through Friday-7:00 p.m. to 10:10 p.m.	.35
Saturdays	.35
Sundays and Legal Holidays	.35

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