

Decision No. 79770

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
THE GRAY LINE TOURS COMPANY for)
Authority to Increase Rates for)
Passenger Fares for its Services)
Covered by Local Passenger Tariffs,)
California Public Utilities)
Commission Numbers 21 and 22.)

Application No. 52573
(Filed April 22, 1971)

FINAL OPINION AND ORDER

By this application, as amended, The Gray Line Tours Company, a corporation, seeks authority to increase fares by various amounts to result in increasing the gross revenues of applicant by approximately 35 percent. Two interim orders have been entered herein; the first in Decision No. 78734, dated May 25, 1971, authorized increases in sight-seeing fares and race track fares of about 12 percent; the second in Decision No. 78972, dated July 27, 1971, authorized additional increases in fares calculated to provide an additional increase in revenue of about seven percent. These interim increases were authorized based upon findings that since February 1971 applicant has experienced a sudden and drastic decline in sight-seeing patronage and that the then existing fares would not provide revenues sufficient to recover operating expenses.

The fares authorized in Decision No. 78972 were predicated upon forecasted operating results considering a decline in sight-seeing passengers of 22.5 percent from the patronage of 1970. Said decision ordered applicant to file each month with the Commission a report setting forth the number of passengers it transported on each of its sight-seeing tours during the preceding month. Review of said reports shows the passenger decline to be more than the 22.5 percent considered in Decision No. 78972.

By letter dated January 14, 1972, applicant states that although the interim increased fares do not appear to be sufficient, it presently has under study a possible restructuring of its fares. It is contemplated that further relief in the form of increased fares will result in a different fare structure from that proposed in this application. Applicant suggests that the interim fares be made permanent and this application be dismissed without prejudice to applicant filing another application at a time when its current study has been completed.

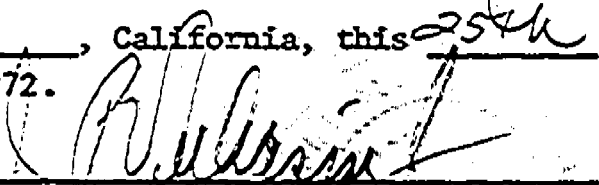
The Commission staff recommends that the interim fares be made permanent and that in other respects the application be denied without prejudice.

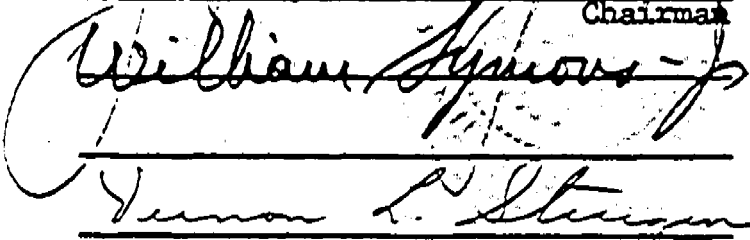
Inasmuch as the interim fares of The Gray Line Tours Company approved in the order to which this is attached have been continuously in effect since August 2, 1971, prior to the enactment of the Economic Stabilization Act of 1971, the action of making said fares permanent does not fall within the provisions of that Act.

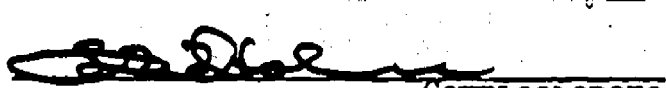
Good cause appearing, IT IS ORDERED that the authorities granted by Decision No. 78972 are made final and in all other respects Application No. 52573 is denied without prejudice.

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

Dated at San Francisco, California, this 25th
day of FEBRUARY, 1972.



Chairman




Commissioners