

Decision No. 81430

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of EUREKA-REDDING STAGES, INC., dba REDWOOD EMPIRE LINES, for authority to increase rates and charges applicable to the transportation of passengers and express.

Application No. 53711
(Filed November 27, 1972;
amended March 26, 1973)

O P I N I O N

By its application, as amended, Eureka-Redding Stages, Inc., doing business as Redwood Empire Lines, requests an increase in rates and charges for the transportation of passengers and shipments of express.

Applicant proposes to increase passenger fares approximately 10 percent and express rates approximately 39 percent. On its combined through fares between Eureka and Sacramento and between Arcata and Sacramento, with the transfer of passengers to the connecting carriers at Redding, applicant proposes to increase its basing fare between Eureka-Arcata and Redding. Applicant also proposes to increase the basis of determining round-trip fares from 180 percent to 190 percent of the applicable one-way fare.

Applicant owns and operates three GMC 39-passenger buses. It employs two full-time employees and some part-time employees.

Applicant alleges that it has experienced continued increases in the cost of doing business over the past several years, and is now faced with additional increased costs in wages, parts, tires, fuel, and insurance; and that applicant has maintained costs at a minimum since the present rates and charges were authorized by Decision No. 76684 dated February 10, 1970 in Application No. 51484, but it cannot continue to conduct a passenger stage service in an efficient and economical manner without increasing revenues from its passenger and express service.

A study prepared by the Commission staff, which is received in this proceeding as Exhibit 1, indicates the following:

Summary of Adjusted Results of Operations
for Rate Year 1973

Description	Rate Year 1973	
	Present Fares	Proposed Fares
Operating Revenues	\$57,377	\$60,453
<u>Operating Expenses</u>		
Equipment Maintenance & Garage	\$11,066	\$11,066
Transportation	16,454	16,454
Station	4,466	4,864
Traffic	1,363	1,363
Insurance	3,770	3,970
Administrative & General	6,732	6,732
Depreciation	6,956	6,956
Operating Taxes & Licenses	5,723	5,723
Operating Rents	1,200	1,200
Total	\$57,730	\$58,328
Operating Income Before Income Taxes	\$ (353)	\$ 2,125
<u>Operating Ratio</u>		
Before Income Taxes	100.6%	96.5%

(Red Figure)

Copies of the application were served upon the counties of Humboldt, Trinity, and Shasta. No protest has been received.

After consideration the Commission finds that the proposed fares and express rates are justified, and that applicant qualifies for the small business exemption pursuant to Rule 23.1(A). A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Eureka-Redding Stages, Inc., doing business as Redwood Empire Lines, is authorized to establish the fares and express rates proposed in Application No. 53711. 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 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 twenty days after the date hereof.

Dated at San Francisco, California, this 30th day of MAY, 1973.

Vernon L. Stevens
President
William J. Synges Jr.
[Signature]
[Signature]
[Signature]
Commissioners