

Decision No. 83525

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Borrego Springs Airline }
to Increase Passenger Rates, and }
Request for Ex Parte Order for Full }
Amount of Increase. }

Application No. 55120
(Filed August 16, 1974)

O P I N I O N

Borrego Springs Airline, a corporation, is a passenger air carrier with operations between San Diego, Borrego Springs, and Palm Springs. It here seeks authority to increase its fare for transportation between San Diego and Palm Springs from \$18.52 to \$20.00. Notice of the request and a copy of the application were served in accordance with the Commission's procedural rules. There are no protests.

The application shows that during the 12 months ended June 30, 1974, applicant experienced a net loss of \$105,195 as compared with an operating loss of \$62,629 for the prior year. Applicant asserts that although total revenue increased by \$49,636 during the year ended June 30, 1974, total expenses rose by \$92,203 due to significant increases in fuel costs, maintenance expenses, wages, and equipment rental expenses. It estimates that the proposed increase in fare will provide it with \$7,989 additional passenger revenue which still would not offset the increase in expenses. Financial statements included in the application support those assertions.

We find that the proposed increase in fares has been shown to be justified. We conclude that the application should be granted and that a public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Borrego Springs Airline, a corporation, is authorized to establish the increased fares proposed in Application No. 55120. Tariff publications authorized to be made as a result of this order may be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and to the public.

2. The authority shall expire unless exercised within ninety days after the effective date of this order.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 1st
day of OCTOBER, 1974.

William L. Steyer
President
William J. Smith
William J. Smith
William J. Smith
William J. Smith
Commissioners