

Decision No. 84491**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application
of THE GRAY LINE TOURS COMPANY, a
corporation, for authority under
Section 454 of the Public Utilities
Code to increase its fares.

} Application No. 55289
} (Filed November 1, 1974;
} amended November 18, 1974)

ORDER OF DISMISSAL

By petition filed April 17, 1975 The Gray Line Tours Company (Gray Line) requests that interim Decision No. 83896 (1974) be made permanent, and that Application No. 55289 be dismissed without prejudice.

In original Application No. 55289 filed November 1, 1974, Gray Line sought fare increases for 29 of its sightseeing tours estimated to produce an overall 10 percent increase in revenue, or \$280,317. In the amendment to the application filed November 18, 1974, Gray Line sought interim fare increases for those tours ranging from 30 to 75 cents per tour. These increases were estimated to result in an overall increase of 6.3 percent in revenue. The interim increases were for the purpose of offsetting increased labor and related costs estimated to have increased by 10.6 percent since the fares were last adjusted for those cost factors. In Decision No. 83896 the Commission authorized the sought interim increases and concluded that permanent relief should be considered at a later date.

The 6.3 percent interim increase was estimated to produce \$185,693 additional revenue in relation to increases in labor costs and related expenses attributable to increased revenue of \$192,897. The projected operating ratio under the interim rate increases was estimated to be in excess of 96.9.

Applicant states that to its knowledge neither the staff nor other interested parties challenge the validity of the documentary evidence presented by it in support of the labor cost offset increases authorized by Decision No. 83896. It asserts that it would be unnecessary to bring this proceeding to a hearing on the cost offset aspects.

Applicant states that if the Commission grants the requests in its petition filed April 17, 1975, it will plan in the future to reanalyze its overall condition in the light of then current economic conditions, expenses, profit or loss, and passenger patronage, to determine whether further rate relief is required.

Attached to the petition are a balance sheet and an income and expense statement as of February 28, 1975. The revenue and expense statement reflects a net loss for the two months of \$62,205.

We find that further hearing in Application No. 55289 is not necessary. We conclude that the interim fares authorized by Decision No. 83896 are justified and should be made permanent, and that Application No. 55289 should be dismissed.

IT IS ORDERED that:

1. The interim fare increase authority granted Gray Line by Decision No. 83896 is hereby made permanent.

2. 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 ten days after the effective date hereof on not less than ten days' notice to the Commission and to the public.

3. The authority granted in Ordering Paragraph 1 is subject to the express condition that applicant will never urge before this Commission in any proceeding under Section 734 of the Public Utilities Code, or in any other proceeding, that the opinion and order herein constitute a finding of fact of the reasonableness of any particular rate or charge, and that the filing of rates and charges pursuant to the authority herein granted will be construed as a consent to this condition.

4. The authority granted herein shall expire unless exercised within sixty days after the effective date of this order.

5. Application No. 55289 is dismissed.

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

Dated at San Francisco, California, this 3rd
day of JUNE, 1975.

Vernon L. Stinson
President
William J. Brown
Stanley D. Brown
Leonard R. Brown
Robert R. Brown
Commissioners