

Decision No. 85091

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of JOHN E. COOK,  
an individual, doing business  
as COOK'S CHARTER BUS SERVICE,  
for authority to adjust its  
rates.

Application No. 55649

(Filed April 23, 1975)

O P I N I O N

This is an application by John E. Cook, an individual doing business as Cook's Charter Bus Service, for an increase in rates because of an increase in expenses and continuing operations at a loss at existing rates. Applicant is operating as a passenger stage corporation between the Twentynine Palms Marine Corps Base, on the one hand, and Palm Springs, Los Angeles, and San Diego (and intermediate points), on the other hand, under the fare schedule established by D.84064 dated February 11, 1975 in A.54734 filed March 4, 1974.

In A.54734 the Commission staff predicted an annual loss rate of \$36,290 at the then existing fares and a comparable loss of \$19,780 at the requested fares, which were approved in D.84064.

Applicant represents he is operating at a loss at current rates, as predicted, and that wage, fuel, tire, and maintenance costs continued to rise, and that for recorded 1974 there was a net income of \$9,019 on revenues of \$134,860 without reflecting any salary for himself or his wife, although both devote full time to applicant's operations.

Exhibit C attached to the application, for the period May 1, 1975 to April 30, 1976, projects at present fares revenues of \$160,447 and a net loss of \$7,840, and at proposed fares revenues of \$177,078, and net income (before taxes) of \$8,791. Both sets of projections include \$25,000 for wages of applicant and his wife. The requested revenue increase, including a minor increase in express rates (as indicated in Exhibit A, page 3, attached to the application) is \$16,631.

The Commission staff analyzed the application and recommended the requested fare increase which results in \$8,660 in additional revenue, based on the full year 1975. At present fares, the staff indicated a loss of \$9,460 for that period, and indicates that requested fares would still result in a loss of \$800. The Commission staff also recommends ex parte handling in the absence of protests. There are no protests. Exhibit A (three pages) attached to the application contains a list of the proposed new fares, which we are authorizing by this decision.

Findings

1. A public hearing is unnecessary.
2. Applicant is an authorized passenger stage corporation and is currently operating at a loss.
3. Applicant has requested an annual increase in revenues of \$16,631, as indicated in Exhibit C of the application. These revenues are based on the proposed fares set forth in Exhibit A of the application.
4. The Commission staff has computed the requested fares to produce \$8,660 in additional annual revenue, which would result in continued operations at a loss for 1975, and recommends the requested fare schedule.

5. The fare increases and resultant revenues requested by applicant and authorized by this decision are justified and are reasonable; and the present rates and charges, insofar as they differ from those prescribed by this decision, are for the future unjust and unreasonable.

Conclusions

1. The fare increase requested is reasonable and should be granted.

2. The applicant should be authorized to establish the increased fares on ten days' notice to the Commission and to the public.

O R D E R

IT IS ORDERED that:

1. John E. Cook, an individual doing business as Cook's Charter Bus Service, is authorized to establish the increased fares and rates proposed in A.55649. Tariff publications authorized to be made as a result of this order may be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and to the public.


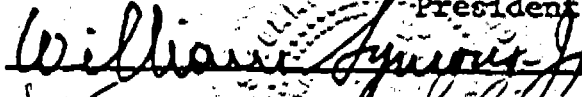
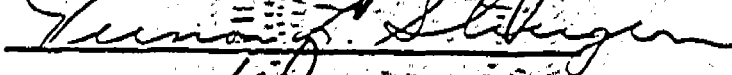

2. The authority shall expire unless exercised within ninety days after the effective date of this order.

3. In addition to the required posting and filing of tariffs, applicant shall give notice to the public by posting in his buses and terminals a printed explanation of his 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 is the date hereof.

Dated at San Francisco, California,  
this 12<sup>th</sup> day of NOVEMBER, 1975.

  
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President  
  
  
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Commissioners

Commissioner Robert Batinovich, being necessarily absent, did not participate in the disposition of this proceeding.