Decision No. <u>85155</u>

# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF THE PUBLIC UTILITIES COMMISSION OF THE STATE OF THE ST

In the matter of the Application of AIRPORTUS for authority to increase passenger stage fares.

Application No. 55822 (Filed July 17, 1975)

## <u>OPINION</u>

Airportus, presently providing service as a passenger stage corporation (PSC 963), seeks authority to increase its fares between the San Jose Municipal Airport and Santa Clara, Sunnyvale, Mountain View, Los Altos and Palo Alto by an average of 47%. The present and the proposed fares are as follows:

:		: San Jose Municipal Airport :			
=_	And	, P	cesent	Fares:Prop	osed Fares:
	Palo Alto	\$	2.50	\$	3.50
	Mountain View	•	2.00	•	3.00
	Los Altos		2.00	,	3.00
	Surnyvale		1.50		2.50
	Santa Clara		1.00		2.00

Its certificate and present fares were authorized by

Decision No. 84185 dated March 11, 1975 in Application No. 55121.

The applicant alleges that the ridership is only 25% of its original projections and the resulting revenue is not sufficient to cover the operating expenses experienced by the company.

The staff of the Transportation Division has made an analysis of applicant's operations and submitted a report on the estimated results of operation based on the future year 1976 under present and proposed fares.

The report is hereby received as Exhibit No. 1. The exhibit indicates the following results:

## ESTIMATED RESULTS OF OPERATION

	tem or Account	Rate Year 1976			
No.	- Description :		s : Requested Fares		
(1)	(2)	(3)	(4)		
	Passengers	43,200	37,640		
•	Bus Miles	255,500	255,500		
	Revenue				
320	Passengers	\$ 91,800	\$ 118,660		
	Expenses				
410	<u>Expenses</u> Maintenance	\$ 2,400	\$ 2,400		
420	Transportation	68,470	68,470		
440	Traffic	2,240	2,240		
450	Insurance	8,600	8,600		
460	Administration	24,620	24,620		
500	Depreciation	3,540	3,540		
520	Operating Tax	8,200	8,200		
530	Rent	2,700	2,700		
	Total Expenses	\$ 120,770	\$ 120,770		
	Operating Income	\$- 28,970	\$ -2,110		
800	Income Tax	200	200		
	Net Income	\$- 29,170	\$ -2,310		
	Operating Ratio	131.8%	101.9%		

Notice of filing of this application appeared in the Commission's Daily Calendar on July 22, 1975. No protests have been received.

After consideration the Commission finds that:

- 1. The requested increase would result in additional annual revenue in the amount of \$26,860.
  - 2. The proposed fare increase is justified.
  - 3. A public hearing is unnecessary.

#### ORDER

#### IT IS ORDERED that:

- 1. Airportus is authorized to establish the increased fares proposed in Application No. 55822. 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 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.

John Sel Commissioners