

ORIGINAL

Decision No. 85238

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of ROY L. ARLEDGE,
doing business as UNITED TRANSIT,
to increase its rates from
\$10.00 per week to \$15.00 per
week on a certain route.

Application No. 55871
(Filed August 19, 1975)

O P I N I O N

Applicant Roy L. Arledge, doing business as United Transit (United), a passenger stage corporation, requests authority to increase its weekly rate over its home-to-work Route 13 running between Aptos-Santa Cruz and the Lockheed Missiles and Space facilities at Sunnyvale from \$10 per passenger to \$15. No protests to the application have been received.

United asserts that the increase is justified on the basis that costs of fuel, equipment, labor, and maintenance have increased since the route was granted and that United is operating the route at a financial loss. Since the route was granted United in April 1974 its fuel costs have risen 164 percent and its labor costs by 152 percent. Operating over the hill to Santa Cruz necessitates installing two clutch assemblies and two sets of brakes annually against one set each in its other operations over more level terrain. In addition, climbing the hill on the run cuts the normal life of the bus engine by 50 percent. For the year ended June 30, 1975 United suffered a \$6,786 loss on the particular run and an overall loss of \$1,814 from its entire operations. Its combined revenues for the year ended June 30, 1975 were \$92,309.

A passenger stage corporation is required to perform service to the satisfaction of the Commission. The recent history of United's Santa Cruz service appears to have involved irregular reductions in service from two to one bus, with consequent stranding of numerous passengers without transportation. Upon inquiry by the Commission staff, United has attempted to justify occurrences of such unsatisfactory performance on the basis that it was "losing money" on the Santa Cruz service. This is not an acceptable explanation, nor will it excuse the obligation of a passenger stage corporation to provide a satisfactory service. Relief in such cases is available through the filing of an application for authority to modify the terms of the obligation, as, for example, the instant application. In addition to its obligation to render satisfactory service, the expense showing in United's application, and as adopted herein for purposes of this order, is based upon the operation of two buses in the Santa Cruz service. The fare increases authorized herein, therefore, will be conditional upon United's providing service with at least two buses as traffic requires.

After consideration the Commission finds that the increase in fare authorized by this decision is justified.

O R D E R

IT IS ORDERED that:

1. Roy L. Arledge, dba United Transit, is authorized to establish the increased rates proposed in Application No. 55871. 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 fare increase authorized in Ordering Paragraph 1 is granted upon condition that, within ten days of the date of this order, Roy L. Arledge shall deliver to this Commission his express written agreement to the following items:

- a. This service shall be provided in a satisfactory manner.

- b. Sufficient buses, at least two, shall be operated to assure that each passenger who remits fare payment for the following week no later than 7:00 p.m. on the immediately preceding Friday shall be provided a seat. Upon such prepayment the passengers shall be issued a ticket for the indicated transportation which shall be retained by the passenger throughout the week. Lists of all such prepaying passengers, as well as actual passenger counts, shall be supplied to the Commission staff at its request.
- c. Passengers who present themselves for transportation and who have not so prepaid their fares shall be accommodated on a space-available basis.

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

4. The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 79-Series.


5. In addition to the required posting and filing of tariffs, applicant shall give notice to the public by posting in its buses a printed explanation of its fares and the provisions discussed in Ordering Paragraph 2. Such notice shall be posted not less than five

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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 16th
day of DECEMBER, 1975.

 President
William Aguilar Jr.
Vernon L. Stinger
L. Rose
Robert K. ... Commissioners