

Decision No. 85947

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of) AIRPORTUS for authority to increase) passenger stage fares. Application No. 56297 (Filed February 27, 1976)

O P I N I O N

Airportus presently provides service as a passenger stage corporation (PSC-963) operating between the San Jose Municipal Airport on the one hand, and Santa Clara, Sunnyvale, Mountain View, Los Altos and Palo Alto, on the other hand. It also conducts charter-party operations (TCP-588). By this application it seeks authority to increase its common carrier passenger stage fares by approximately 36 percent.

The present common carrier passenger fares were authorized by Decision 85155 dated November 18, 1975 in Application 55822.

The present and the proposed fares are as follows:

	Between :	San Jose Municipal Airport :
:	And :	Present Fares : Proposed Fares :
Palo Alto	\$ 3.50	\$ 4.50
Mountain View	3.00	4.50
Los Altos	3.00	4.50
Sunnyvale	2.50	3.50
Santa Clara	2.00	3.50

The applicant alleges that the passenger revenue at present fares 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 ending June 30, 1977 under present and proposed fares.

The report is hereby received as Exhibit 1. The exhibit indicates the following results:

ESTIMATED RESULTS OF OPERATION  
FOR COMMON CARRIER SERVICE

: :Line:	: Reference	: Number:	Item or Account Description	:Rate Year Ending June 30, 1977: :Present Fares:	:Requested Fares:
	(1)	(2)	(3)	(4)	(5)
1			Bus Miles	204,400	204,400
2			Passengers	19,990	18,100
			<u>Revenue</u>		
3		320	Passenger	\$ 62,480	\$ 77,140
			<u>Expense</u>		
4		410	Maintenance	\$ 2,350	\$ 2,350
5		420	Transportation	34,410	34,410
6		440	Traffic	2,350	2,350
7		450	Insurance	6,490	6,490
8		460	Administration	19,910	19,910
9		500	Depreciation	3,470	3,470
10		520	Tax	4,760	4,760
11		530	Rent	4,480	4,480
12	L4 to L11	400 & 500	Total Expenses	\$ 78,220	\$ 78,220
13			Operating Income	\$-15,740	\$ -1,080
14		800	Income Tax	-	-40
15			Net Income	\$-15,740	\$ -1,040
16	(L12,L14)+L3		Operating Ratio-%	125.2	101.3

Copies of the application were served on interested parties. It was listed on the Commission's Daily Calendar of March 1, 1976. No protest has been received.

After consideration, the Commission finds that:

1. The requested increase would result in additional annual revenue in the amount of \$14,660.
2. The proposed fare increase is justified.
3. A public hearing is not necessary.

ORDER

IT IS ORDERED that:

1. Airportus is authorized to establish the increased fares proposed in Application 56297. 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.

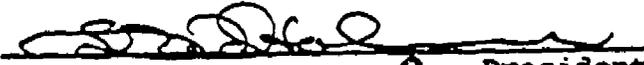
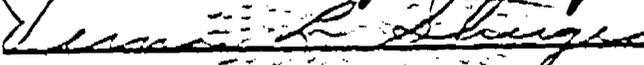
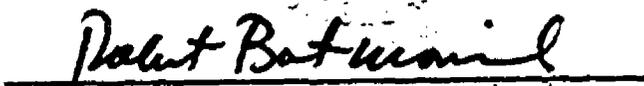
2. The authority shall expire unless exercised within ninety days after the effective date of this order.

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.

The carrier is presently operating at a considerable loss and needs the relief immediately to approach the break-even point.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 15<sup>th</sup>  
day of JUNE, 1976.

  
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President  
  
  
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Commissioners

Commissioner Leonard Ross, being necessarily absent, did not participate in the disposition of this proceeding.