

Decision No. 86180

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of HARBOR CARRIERS, INC., a  
corporation, for authorization  
to increase rates.

} Application No. 56459  
} (Filed May 4, 1976)

INTERIM OPINION

Harbor Carriers, Inc., a California corporation, is engaged in business as a common carrier by vessel in the transportation of persons and property for compensation between points on San Francisco, San Pablo and Suisun Bays. Harbor Carriers, Inc. is also a common carrier by vessel in the transportation of passengers and their baggage between Long Beach and specified points on Santa Catalina Island.

By this application, Harbor Carriers, Inc. seeks authority to increase its passenger fares between Long Beach and points on Santa Catalina Island. The present and proposed fares are as follows:

PRESENT AND PROPOSED ONE-WAY AND ROUND-TRIP FARES  
BETWEEN LONG BEACH AND POINTS ON SANTA CATALINA ISLAND

	<u>Present</u>	<u>Proposed</u>
Adult one-way	\$ 4.25	\$ 5.00
Adult round trip	3.50	10.00
Child, five years and over, one-way	2.15	2.50
Child, five years and over, round trip	4.25	5.00
Child, under five years, one-way	0.25	0.40
Child, under five years, round trip	0.50	0.80
Commuter Book	30.00	33.00
Groups (Round Trip)		
Regular	7.65	9.00
Special	6.50	7.65
Camp Fox	4.25	5.00
Isthmus	4.25	5.00

With the exception of the fare for adult groups between Long Beach and Camp Fox, the present fares were established by Decision 78921, dated July 13, 1971 in Application 52661. The present fare for adult groups between Long Beach and Camp Fox was established by Decision 85040, dated October 21, 1975 in Application 54862.

The applicant states that the City of Avalon has increased the wharfage fee from 25 cents per person to 40 cents per person effective April 1, 1976. The applicant alleges further that the proposed fare increase will cover part of the increased fuel, maintenance, repair and labor expenses experienced since the present fares were authorized.

In support of the sought relief, the applicant sets forth in the exhibits attached to the application the actual results of operations for the year ended December 31, 1975, and the estimated results of operations under present and proposed fares for the year ending December 31, 1976 as follows:

ESTIMATED RESULTS OF LONG BEACH OPERATIONS  
12 MONTHS ENDING DECEMBER 31, 1976

	<u>Present Fares</u>	<u>Requested Fares</u>
Revenue	\$1,787,080	\$2,098,470
Expenses	1,854,660	1,867,630
Operating Income	-67,580	230,840
Income Tax	-	<u>115,420</u>
Net Income	\$ -67,580	\$ 115,420

Operating Ratio	103.8%	94.5%
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The request includes an increase in the adult one-way fare from \$4.25 to \$5.00. This proposed adult fare of \$5.00 would still be considerably below the recently authorized fare of \$5.80 for the competitive service between San Pedro and Avalon of the S.S. Catalina operated by M.G.R.S.

The staff of the Finance and Accounts Division has reviewed the application and recommends that it be granted on an interim basis pending further review.

Copies of the application were served on interested parties. It was listed on the Commission's Daily Calendar of May 6, 1976. No protest has been received.

After consideration the Commission finds that:

1. The requested fare increase would result in additional annual revenues in the amount of \$311,390.
2. The requested fare increase is justified.

On the basis of the foregoing findings, we conclude that the application should be granted as set forth in the following order:

INTERIM ORDER

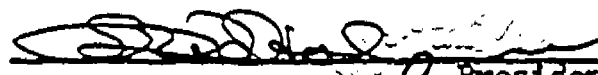
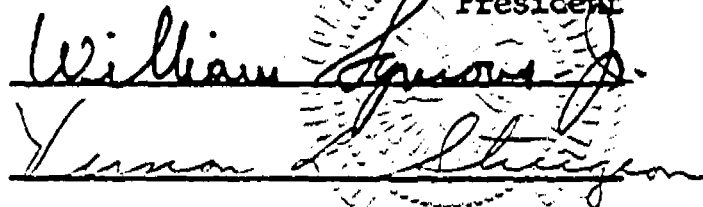
IT IS ORDERED that:

1. Harbor Carriers, Inc. is authorized to establish the increased fares proposed in Application 56459 on an interim basis. Tariff publication 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. This 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 vessels 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.
4. Any difference between the interim fares and final fares shall be disposed of in the final order as the Commission may direct.

A. 56459 VVB

Since the summer season with greatly increased passenger traffic has already commenced, the new fares should be established as soon as possible in order to realize the estimated operating results. The effective date of this order is the date hereof.

Dated at San Francisco, California, this 27th  
day of JULY, 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.

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