

Decision 84 03 034

MAR 7 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application
of 24 HOUR AIRPORT EXPRESS, INC.
for authority to increase its
Passenger Stage Fares, pursuant
to Section 454 of the Public
Utilities Code.

Application 83-12-10
(Filed December 6, 1983)

O P I N I O N

24 Hour Airport Express, Inc. (applicant) is a passenger stage corporation (PSC-1043) operating an airport service and special event service between described points in Southern California.

Applicant seeks authority to increase its passenger fares by \$1.00 per fare, which is an overall average of approximately 3.3%.

Applicant's present fares were established by Decision (D.) 83-07-033, dated July 20, 1983, in Application (A.) 83-03-72.

Applicant alleges that the requested fare increase is necessary to offset increases in operating expenses.

Based on the data contained in the application, and additional information obtained from carrier, the following table sets forth the estimated results of operations under present and proposed fares for a test year ending September 30, 1984.

Operating Revenues:	<u>Test Year Ending September 30, 1984</u>	
	<u>Present Fares</u>	<u>Proposed Fares</u>
Passenger Stage	\$3,259,000	\$3,367,000
Charter	145,000	145,000
Refund	(17,000)	(17,000)
Total	\$3,387,000	\$3,495,000
Operating Expenses	3,346,000	3,346,000
Operating Income (Loss) Before Income Taxes	41,000	149,000
Operating Ratio Before Income Taxes	99%	96%

As indicated by the above table, applicant's operations in the test year ending September 30, 1984 under its present fares will be close to the break-even point, with an operating ratio before taxes of 99%. The proposed fares will result in an annual gross operating revenue of \$3,495,000 an annual gross revenue increase of \$108,000 with an operating ratio of 96%.

Notice of the filing of this application appeared on the Commission's Daily Calendar of December 13, 1983. No protest or request for public hearing has been received.

Findings of Fact

1. Applicant seeks authority to increase its passenger stage fares by \$1.00 per fare, which is an overall average of approximately 3.3%.
2. Applicant's present fares were authorized by D.83-07-033 dated July 20, 1983.
3. Applicant's operations in the test year ending September 30, 1984 under its present fares will be close to the break-even point.

4. The requested fare increase will result in an additional annual gross revenue of \$108,000, with an operating ratio of 96% before income taxes.

5. The requested fares are necessary to offset applicant's increases in operating expenses.

6. The fare increase requested in A.83-12-10 is justified.

7. No protests have been received concerning this application, and a public hearing is not necessary.

8. Since applicant's operations will be close to the break-even point under the present fares, the effective date of this order should be the date of signature.

Conclusion of Law

The fare increase requested in A.83-12-10 is just and reasonable and should be granted.

O R D E R

IT IS ORDERED that:

1. 24 Hour Airport Express, Inc. is authorized to establish the increased passenger fares proposed in A.83-12-10. Tariffs shall be filed on or after the effective date of this order. They may go into effect five days or more 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 90 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 operating vehicles 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 30 days.

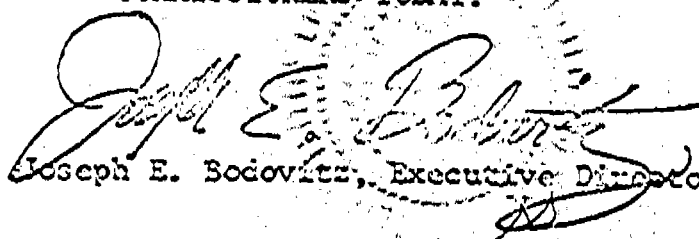
This order is effective today.

Dated MAR 7 1984, at San Francisco, California.

VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

Commissioner Leonard M. Grimes, Jr.,
being necessarily absent, did not
participate.

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovitz, Executive Director