

Decision 84 04 086

APR 18 1984

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application  
GOLDEN STATE LIMOUSINE, INC. for  
authority to increase it's (sic)  
passenger stage corporation fares,  
pursuant to Section 454 of the  
Public Utilities Code.

Application 84-02-18  
(Filed February 7, 1984)

O P I N I O N

Golden State Limousine, Inc. (applicant) is a passenger stage corporation (PSC-978) operating between the Counties of San Mateo, Santa Clara, and Alameda, on the one hand, and San Francisco International, Oakland International, and San Jose Municipal Airport, on the other hand. Applicant also is authorized to conduct charter-party operations under charter-party permit (TCP-1155P).

Applicant seeks authority to increase its passenger fares by an average of 10%, rounded to the nearest 25 cents.

Applicant alleges that the requested fare increases are necessary to offset increases in operating costs. As shown in the application, applicant's PSC operations for the first 8 months of 1983 were conducted at a loss of \$57,936 as represented by an operating ratio before taxes of 107.4%. The expected annualized loss is \$89,236.

The following table sets forth the estimated results under present and proposed fares for the test year ending March 31, 1985.

Table 1

	<u>Test Year Ending March 31, 1985</u>	
	<u>Present Fares</u>	<u>Proposed Fares</u>
Passenger Revenues	\$1,203,267	\$1,323,594
Operating Expenses	1,292,503	1,319,503
Operating Income (Loss) Before Income Taxes	(89,236)	4,092
Operating Ratio Before Income Taxes	107.4%	99.6%

(Red Figure)

As indicated by the above table, applicant's operating income in the test year under its present fares will be a loss of \$89,236 with an operating ratio of 107.4%. The proposed fares will result in an annual gross revenue increase of \$120,327, a profit of \$4,092, with an operating ratio of 99.6%.

Notice of the filing of this application appeared on the Commission's Daily Calendars of February 14, 1984. No protest or request for public hearing has been received.

Findings of Fact

1. Applicant seeks a 10% average increase in its passenger fares to offset increased operating expenses.
2. As shown in Table 1, applicant's operations in the test year will be conducted at a loss of \$89,236 under present fares.
3. The requested fare increase will result in additional annual gross revenues of \$120,327 with an operating ratio of 99.6% before taxes.

4. The requested fare increase is necessary to offset increased operating expenses and to ensure applicant's continued operations.

5. The requested fare increase is justified.

6. No protests have been received, and a public hearing is not necessary.

7. Since the fare increase is necessary to ensure applicant's continued operations, the effective date of this order should be the date of signature.

Conclusion of Law

The increase fares are reasonable and justified.

O R D E R

IT IS ORDERED that:

1. Golden State Limousine, Inc. is authorized to establish the increased fares proposed in Application 84-02-18. Tariffs shall be filed not earlier than the effective date of this order. They may go into effect 10 days or more after the effective date of this order on not less than 10 days' notice to the Commission and to the public.

2. The authority shall expire unless exercised within 90 days after the effective date of this order.

3. In addition to posting and filing tariffs, applicant shall post a printed explanation of its fares in its buses and terminals. The notice shall be posted at least 10 days before the effective date of the fare changes and shall remain posted for at least 30 days.

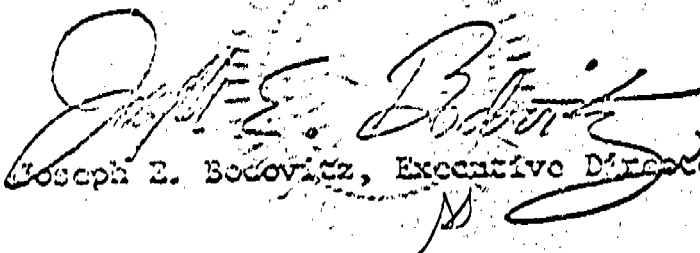
This order is effective today.

Dated APR 18 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.  
President

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

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

  
Joseph E. Bodovitz, Executive Director