

T/ctb

Decision 84 06 133

JUN 20 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 Clifton A. Hodge, Brian Hitchings and)
 John W. Ensign, dba Conejo Coach, a)
 partnership, for the authority to)
increase fares for the transportation)
of passengers on regular scheduled)
home-to-work routes between (sic))
points in Ventura and Los Angeles)
 Counties, to offset recent increases)
 in fuel and other operating expenses)
 and to offset the current net loss)
 experience of Conejo Coach commuter)
 service.)

Application 83-11-20
 (Filed November 8, 1983)

O P I N I O N

Clifton A. Hodge, Brian Hitchings, and John W. Ensign (applicants), a general partnership, doing business as Conejo Coach, is a passenger stage corporation (PSC-1171) operating between points in Ventura County, on the one hand, and Los Angeles County, on the other hand.

Applicants seek authority to increase passenger fares from \$85 to \$95 a month.

Applicants allege that the requested fare increase is necessary to offset increases in operating costs. As shown in the application, applicants' PSC operations for 1982 were conducted at a loss of \$9,060 as represented by an operating ratio before taxes of 130%.

The following table sets forth the estimated results under present and proposed fares for the test year ending June 30, 1985.

Table 1

	<u>Test Year Ending June 30, 1985</u>	
	<u>Present Fares</u>	<u>Proposed Fares</u>
Passenger Revenues	\$38,293	\$43,093
Operating Expenses	41,538	41,538
Operating Income (Loss) Before Income Taxes	(3,245)	1,555
Operating Ratio Before Income Taxes	108.5%	96.4%

(Red Figure)

As indicated by the above table, applicants' operating income in the test year under their present fares will be a loss of \$3,245 with an operating ratio of 108.5%. The proposed fares will result in an annual gross revenue increase of \$4,800, a profit of \$1,555 with an operating ratio of 96.4%.

Notice of the filing of this application appeared on the Commission's Daily Calendar of November 11, 1983. No protest or request for public hearing has been received.

Findings of Fact

1. Applicants seek an increase in their monthly passenger fares from \$85 to \$95.

2. As shown in Table 1, applicants' operations in the test year will be conducted at a loss of \$3,245 under present fares.

3. The requested fare increase will result in additional annual gross revenues of \$4,800 with an operating ratio of 96.4% before taxes.

4. The requested fare increase is necessary to offset increased operating expenses and to ensure applicants' 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 applicants' continued operations, the effective date of this order should be the date of signature.

Conclusion of Law

The increased fares are reasonable and justified and should be granted as set forth in the following order.

O R D E R

IT IS ORDERED that:

1. Clifton A. Hodge, Brian Hitchings, and John W. Ensign are authorized to establish the increased fares proposed in Application 83-11-20. 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, applicants shall post a printed explanation of their fares in their 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.

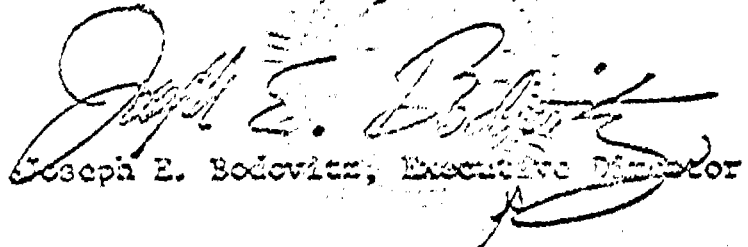
4. The application is granted as set forth above.

This order is effective today.

Dated JUN 20 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.
President
VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

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


Joseph E. Bodovitz, Executive Director