

	Recorded Year Ending 12/31/87	Test Year Ending 7/31/89 Present Fares	Proposed Fares
Passenger Stage Revenue	\$ 63,878	\$ 76,654	\$ 139,370
Charter Revenue	<u>3,390</u>	<u>5,000</u>	<u>5,000</u>
Total Revenue	\$ 67,268	\$ 81,654	\$ 144,370
Expenses	<u>62,168</u>	<u>121,726</u>	<u>127,526</u>
Operating Income (before income taxes)	\$ 5,100	(\$ 40,072)	\$ 16,844
Income taxes, est.	<u>1,200</u>	<u>0</u>	<u>5,800</u>
Operating Profit	\$ 3,900	(\$ 40,072)	\$ 11,044
Operating Ratio	94%	149%	92%

As indicated in the above table, applicant's operations in the test year ending July 31, 1989, under present fares will be at a loss of \$40,072 with an operating ratio of 149 percent. The proposed fares will result in an annual gross revenue increase of \$62,716 and operating income of \$11,044 with an operating ratio of 92 percent.

Notice of this application appeared in the Transportation Calendar on August 2, 1988. There have been no protests or requests for public hearing. Applicant has filed an affidavit with the Commission to the effect that notices of this application were also sent to each city and county.

Findings of Fact

1. Applicant seeks authority to increase passenger fares by six dollars.
2. Applicant's last fare increase was authorized by D.85-12-037, dated December 4, 1985.
3. Applicant's operations in the test year ending July 31, 1989, under present fares, will result in a loss of \$40,072 with an operating ratio of 149%.

4. Applicants operations at the proposed fares will result in an annual gross revenue increase of \$62,716, with an operating ratio of 92%.

5. No protest have been received, and a public hearing is not necessary.

6. To ensure applicant's continued operations, the effective date of this order should be the date of signature.

Conclusions of Law

1. The fares requested in A.88-07-049 are reasonable and should be granted.

2. To ensure applicant's continued operations, the order should be effective today.

O R D E R

IT IS ORDERED that:

1. Philip Nicola is authorized to establish the increased passenger fares proposed in A.88-07-049. Tariffs shall be filed on or after the effective date of the order. They may go into effect thirty days or more after the effective date of this order on not less than 30 days' notice to the Commission and the public.

2. This order 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 the fare increase. Such notice shall be posted not less than 10 days before the effective date of the fare changes and shall remain posted for a period of not less than 30 days.

4. The application is granted as set forth above.

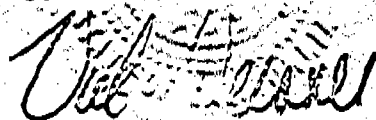
This order is effective today.

Dated DEC 9 1988, at San Francisco, California.

STANLEY W. HULETT
President

DONALD VIAL
FREDERICK R. DUDA
C. MITCHELL WILK
JOHN B. OHANIAN
Commissioners

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



Victor Weisman, Executive Director

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