

Decision 89 04 066 APR 26 1989**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of)
 John E. Hunter an individual, dba)
 Commuter Club for authority to in-)
 crease fares for the transportation)
 of passengers on regular scheduled)
 home-to-work service between points)
 in Vacaville, Fairfield, Vallejo)
 and the Alameda Naval Air Station)
 in the Solano and Alameda County)
 Area.)

Application 89-02-002
 (Filed February 1, 1989)

OPINION

John E. Hunter (applicant), doing business as Commuter Club, is a passenger stage corporation (PSC-1195) engaged in the transportation of persons on a regular scheduled home-to-work service between points in Vacaville, Fairfield, Vallejo, on the one hand, and Alameda Naval Air Station, on the other hand.

Applicant was granted passenger stage authority by D.82-09-077, dated September 22, 1982, in A.82-07-37.

The present fares from Vacaville, Fairfield, and Vallejo to Alameda Naval Air Station were established by D.85-12-044, dated December 4, 1985, in A.84-10-024.

Present and proposed fares are shown in Table 1 as shown below. These fares are round-trip monthly fares.

TABLE 1

Between\Alameda Naval Air Base \And	Present Fare Monthly	Proposed Fare Monthly
Vacaville	\$85.00	\$97.00
Fairfield	\$78.00	\$90.00
Vallejo	\$60.00	\$72.00

On February 27, 1989, applicant provided the Transportation Division staff with additional information in support of the application.

Using the data provided by applicant, the following table sets forth the estimated results of operations under present and proposed passenger fares for the test year ending November 30, 1989.

TABLE 2
Test Year Ending November 30, 1989

	<u>Present Fares</u>	<u>Proposed Fares</u>
Operating Revenue	\$87,246	\$96,400
Operating Expenses	\$87,504	\$90,119
Operating Income (Loss)		
Income Before Tax	(238)	6,281
Income Tax	0	1,256
Net Income (Loss)	(238)	5,025
Operating Ratio After Income Taxes	100.3%	94.8%

Applicant contends that it has experienced increased operating costs since its last fare increase. As indicated by Table 2, applicant's operations in the year ending November 1988 under the present fares resulted in a loss of \$238 with an operating ratio of 100.3% before income taxes. On the other hand, the proposed fares will result in an annual gross operating revenue increase of \$9,154 and operating income of \$6,281 with an operating ratio of 94.8% after income taxes.

Notice of filing of this application appeared on the Commission's Daily Calendar of February 7, 1989. No protests or requests for public hearing have been received. In the opinion of the staff, the proposed fares are justified and should be granted.

Findings of Fact

1. Applicant seeks authority to increase its passenger stage fares by approximately 14% to offset increased operating costs.

2. Applicant's present fares were authorized by D.85-12-044 dated December 4, 1985.

3. Applicant's operations in the test period ending November 30, 1989, under present fares would cause it to lost \$238 with an operating ratio of 100.3%.

4. The proposed fares will result in an annual gross revenue of \$96,400 which will generate an annual increase in gross revenue of \$6,281 and provide an operating ratio of 94.8% after income taxes.

5. The requested fares are necessary and justified.

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

7. Applicant is operating at a loss.

8. The order should be effective on the day it is signed.

Conclusions of Law

1. The passenger fares requested are just and reasonable.

2. The application should be granted.

3. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. John E. Hunter, dba Commuter Club, is authorized to establish the increased passenger fares proposed in A.89-02-002. Tariffs may be filed on or after the effective date of this order. They may become effective five days or more after the effective date of this order provided that the Commission and the public are given not less than five days' notice.

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

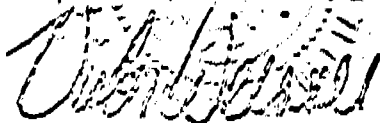
3. In addition to the required posting and filing of tariffs, applicant shall give notice to the public by posting in his operating vehicles a printed explanation of the fares. Such notice shall be posted not less than ten days before the effective date of the fare changes and shall remain posted for a period of not less than 30 days.

4. The application is granted as set forth above.
This order is effective today.

Dated APR 26 1989, at San Francisco,
California.

G. MITCHELL WILK
President
FREDERICK R. DUDA
STANLEY W. HULETT
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners

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


Victor Weiss, Executive Director

Findings of Fact

1. Applicant seeks authority to increase its passenger stage fares by approximately 14% to offset increased operating costs.
2. Applicant's present fares were authorized by D.85-12-044 dated December 4, 1985.
3. Applicant's operations in the test period ending November 30, 1989, under present fares would cause it to lose \$238 with an operating ratio of 100.3%.
4. The proposed fares will result in an annual gross revenue of \$96,400 which will generate an annual increase in gross revenue of \$6,281 and provide an operating ratio of 94.8% after income taxes.
5. The requested fares are necessary and justified.
6. No protests have been received concerning this application, and a public hearing is not necessary.
7. Applicant is operating at a loss.
8. The order should be effective on the day it is signed.

Conclusions of law

1. The passenger fares requested are just and reasonable.
2. The application should be granted.
3. A public hearing is not necessary.

ORDER

IT IS ORDERED that:

1. John E. Hunter, dba Commuter Club, is authorized to establish the increased passenger fares proposed in A.89-02-002. Tariffs may be filed on or after the effective date of this order. They may become effective five days or more after the effective date of this order provided that the Commission and the public are given not less than five days' notice.