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Decision 91 03 024 MAR 1 3 1991

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA In the Matter of the Application) of SONOMA AIRPORTER, INC., for) Application 90-12-004 authority to adjust its fares.) (Filed December 5, 1990)

<u>OPINION</u>

Sonoma Airporter, Inc. (applicant) is a passenger stage corporation (PSC-1146) transporting persons over a regular route between points in Sonoma, Marin, San Francisco counties and San Francisco International Airport.

Applicant seeks authority to increase passenger fares by an average of 27.8% to offset increases in operating costs. Applicant's present passenger fares were established by Decision 86-01-056 dated January 23, 1986.

Applicant alleges that the requested increases are necessary to offset increased costs of fuel, taxes, insurance and salaries.

Based on the data contained in the application, the following table sets forth the estimated results of operations under present and proposed fares for test year ending December 31, 1991.

	Present fares	Proposed fares
Operating Revenue	\$175,690	\$212,118
Operating Expenses	204,729	204,729
Net Income (loss)	(29,039)	7389
Operating Ratio	1168	96*

As indicated by the above table, applicant's operations in the test year ending December 31, 1991 under present fares will be at an operating ratio of 116%. The proposed fares will result in an annual gross revenue of \$212,118 and an annual gross revenue increase of \$36,428 with an operating ratio of 96%.

Notice of the filing of this application appeared on the Commission's Daily Calendar of December 7, 1990. No protests or requests for public hearing have been received.

<u>Pindings of Fact</u>

1. Applicant seeks authority to increase passenger stage fares by an average of 27.8%.

2. Applicant's present fares were authorized by D.86-01-056 dated January 23, 1986.

3. Applicant's operations in the test year ending December 31, 1991 under present fares would be at an operating ratio of 116%.

4. The requested fare increases will result in an annual gross operating revenue of \$212,118, an annual gross revenue increase of \$36,428 with an operating ratio of 96%.

5. The requested fare increases 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. Therefore the effective date of this order should be the date of signature.

8. Since applicant's operations under the present fares will be at a loss, the effective date of this order should be the date of signature.

Conclusions of Law

1. The fare increases requested in A.90-12-004 are just and reasonable and should be granted.

2. Because the applicant is operating at a loss, the order should be effective today.

<u>order</u>

IT IS ORDERED that:

1. Sonoma Airporter, Inc. is authorized to establish the increased passenger fares as proposed in A.90-12-004. 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. The 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 applicant's operating vehicles a printed explanation of the 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.

The application is granted as set forth above.
This order is effective today.
Dated MAR 13 1991 _____, at San Francisco, California.

PATRICIA M. ECKERT President G. MITCHELL WILK JOHN B. OHANIAN DANIEL WM. FESSLER NORMAN D. SHUMWAY Commissioners

I CERTIFY THAT THIS DECKTON WAS APPROVED BY THE LOOVE COMMISSIONERS TODAY

AAN: Executive Director