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APR 21 1982

ORIGINAL

Decision \_\_\_\_\_

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Sonoma County Airport Express, Inc., a Passenger State (sic) Corporation, for authority to increase fares for the transportation of passengers between points in Sonoma County and the San Francisco International Airport.

Application 61114  
(Filed December 7, 1981)

O P I N I O N

Sonoma County Airport Express, Inc. (applicant) is a passenger stage corporation (PSC-1120) operating from Santa Rosa and Rohnert Park to Oakland International Airport (OAK) and San Francisco International Airport (SFO).

Applicant purchased the presently owned passenger stage certificate and adopted as its own the tariffs and timetables of the predecessor company on file with the Commission. Applicant voluntarily reduced fares to the current amount of \$10 effective April 5, 1981. By the instant application, applicant requests authority to increase the fare from Santa Rosa and Rohnert Park to OAK or SFO to \$12. Decision (D.) 93607 authorized service from Petaluma to OAK and SFO at \$10. The instant application does not include initiating the fare from Petaluma to OAK and SFO.

Applicant alleges that the requested fare increase is necessary to offset increases in operating costs. As shown in the application, applicant's operations for the 10-month period ending October 31, 1981 were conducted at a loss of \$33,599, as represented by an operating ratio before taxes of 120.6%. Applicant made a tariff filing from Petaluma to OAK and SFO for a \$12 fare which has not been accepted.

The following table sets forth applicant's estimated results of operations under present and proposed fares for a test year ended December 31, 1981.

TABLE 1

	<u>Test Year Ending December 31, 1981</u>	
	<u>Present Fares</u>	<u>Proposed Fares</u>
Revenues	\$195,273	\$234,328
Expenses	228,873	228,873
Operating Income (Loss) Before Income Taxes	(33,600)	5,455
Operating Ratio Before Income Taxes	117.2%	97.7%

(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 \$33,600 with an operating ratio of 117.2%. The proposed fares will result in an annual gross revenue increase of \$39,055, a profit of \$5,455, with an operating ratio of 97.7%.

Notice of the filing of this application appeared on the Commission's Daily Calendar of December 10, 1981. No protest or request for public hearing has been received.

The Commission notified affected public transit district operators of the application under Public Utilities Code Sections 730.3 and 730.5, and the Commission requested the public agency to prepare an analysis of the effect of fare increase on overall transportation problems within the territory served by the public transit system. No response has been received from any public transit district. The fare increase will not affect transit system plans prepared under Chapter 2.5 of Title 7 of the Government Code.

Findings of Fact

1. Applicant seeks a 20% 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 \$33,599 under present fares.

3. The requested fare increase will result in additional annual gross revenues of \$39,055 with an operating ratio of 97.7%, 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. Applicant desires to establish the same fare (\$12) from/to Petaluma.

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

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 increased fares are reasonable and justified.

O R D E R

IT IS ORDERED that:

1. Sonoma County Airport Express, Inc. is authorized to establish the increased fares proposed in Application 61114 and to establish a \$12 fare to/from Petaluma. 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.

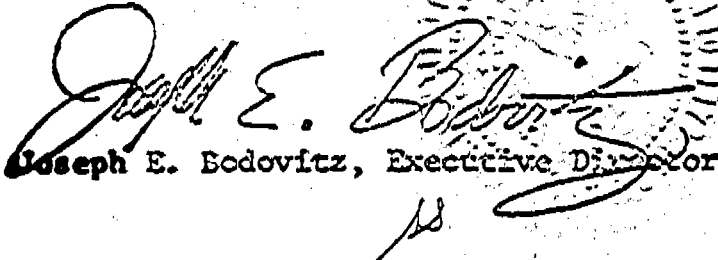
3. In addition to posting and filing tariffs, applicant shall post a printed explanation of its fares in its buses and terminals. The notice shall be posted at least 10 days before the effective date of the fare changes and shall remain posted for at least 30 days.

This order is effective today.

Dated APR 21 1982, at San Francisco, California.

JOHN E. BRYSON  
President  
RICHARD D. CRAVELLE  
LEONARD M. CRIMES, JR.  
VICTOR CALVO  
FRISCILLA C. CREW  
Commissioners

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

  
Joseph E. Bodovitz, Executive Director