Decision 82 07 052 JUL 7 - 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Marin Airporter, Inc., a California corporation, for authority to increase passenger fares from Greenbrae to the San Francisco International Airport.

Application 61109 (Filed December 4, 1981)

OPINION

Marin Airporter, Inc. (applicant) provides a passenger stage corporation service (PSC-990) between Novato, San Rafael, Greenbrae, and Sausalito, on the one hand, and the San Francisco International Airport, on the other hand. It also holds and operates under charter-party Certificate No. TCP-55B.

Applicant requests authority to increase its present passenger fares between Greenbrae and the San Francisco International Airport from \$7.00 to \$8.00. Applicant's other fares would remain unchanged. The new Greenbrae fare would still be less than the fare to the next further point, San Rafael (\$9.00).

Applicant alleges that the requested fare increase is necessary to offset the recent increases in its costs of operation, including insurance, equipment maintenance, salaries, and fuel. Applicant also cites the need to acquire a new office and yard at Greenbrae, at increased rental expense, due to notice from the landowner that its present Greenbrae facilities will no longer be available. The present fares were authorized by Decision (D.) 90914 dated October 10, 1979.

The Transportation Division staff has conducted an engineering economics review of applicant's operations. The following table shows a summary of the estimated results of operations for a test year ending June 30, 1983, under both present and proposed fares:

	Test Year Ending 6/30/83	
	Present Fares	Proposed Fares
Operating Revenue	\$547,000	\$588,000
Operating Expenses	520,200	520,200
Income Before Income Taxes	26,800	67,800
Operating Ratio Before Income Taxes	95.1%	88.5%

As indicated by the above table, applicant's operations in the test year ending June 30, 1983 under its present fares will be at a profit of \$26,800 and an operating ratio of 95.1%. The proposed fares will result in an annual gross revenue of \$588,000, an annual gross revenue increase of \$41,000, with an operating ratio of 88.5% before income taxes.

Notice of the filing of this application was listed on the Commission's Daily Calendar. Additionally, the Commission staff notified affected public transit district operators of the receipt of this application under Public Utilities Code Section 730.3 and 730.5. No protests have been received and a public hearing is not necessary.

Findings of Fact

- 1. Applicant seeks authority to increase its passenger fares between Greenbrae and the San Francisco International Airport from \$7.00 to \$8.00.
- 2. Applicant's present fares were authorized by D.90914, dated October 10, 1979.

- 3. The requested fare increase will result in an additional annual gross revenue of \$41,000 with an operating ratio of 88.5% before income taxes.
- 4. The requested fares are necessary to offset the increases in operating costs.
 - 5. The fare increase requested is justified.
- 6. No protests have been received concerning this application, and a public hearing is not necessary.

Conclusion of Law

The fare increase requested is just and reasonable and should be granted.

ORDER

IT IS ORDERED that:

- 1. Marin Airporter, Inc. is authorized to establish the increased fares proposed in Application 61109. Tariffs shall be filed not earlier than 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.

RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. GREW
Commissioners

Commissioner John E. Bryson, being necessarily absent, did not participate.

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

Joseph E. Bodovicz, Exec