

ORIGINAL

Decision 82 07 054 JUL 7 - 1982

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of WILLIAM H. HUNT, DBA: HUNT TRANSPORTATION, an individual, for the authority to increase fares on regular scheduled home-to-work routes between points in Riverside County and Hughes Aircraft, Fullerton; and Points in Orange County and Hughes Aircraft, El Segundo; and Points Orange County and Northrop Aviation in El Segundo, Los Angeles County.

Application 82-03-06  
(Filed March 1, 1982)

O P I N I O N

William H. Hunt, (applicant), an individual doing business as Hunt Transportation, is a certificated passenger stage corporation (PSC 1029) between points in Riverside County and Hughes Aircraft, Fullerton; and points in Orange County and Hughes Aircraft, El Segundo; and points in Orange County and Northrop Aviation in El Segundo, Los Angeles County.

Applicant seeks authority to increase his passenger fares by approximately 32% to offset increases in operating costs.

Applicant's fares were established by Decision 90662 dated August 14, 1979 in Application 58299.

Applicant alleges that the requested fare increase is necessary to offset increases in operating costs. As shown in the application, applicant's passenger stage operations for the period ended December 31, 1981 were conducted at a loss of \$40,982, as represented by an operating ratio before taxes of 119%.

The Transportation Division has conducted an engineering-economics review of the application. The following table sets forth the estimated results of operations under present and proposed fares for a test year ending July 31, 1983.

Test Year Ending  
July 31, 1983  
Test Year Ending July 31, 1983

	Present Fares		Proposed Fares	
	Total * Company	PSC	Total * Company	PSC
Revenues	\$312,552	\$219,552	\$411,540	\$318,540
Expenses	\$386,978	\$305,656	\$386,978	\$305,656
Operating Income (Loss) before Income Taxes	(\$ 74,426)	(\$ 86,104)	\$ 24,562	\$ 12,884
Operating Ratio before Income Taxes	124%	139%	94%	96%

(Red Figure)

\*Includes charter-party totals.

As indicated by the above table, applicant's PSC operating income in the test year under its present fares will be a loss of \$86,104 with an operating ratio of 139%. The proposed PSC fares will result in an annual gross revenue increase of \$98,988, a profit of \$12,884, with an operating ratio of 96%.

Notice of the filing of this application appeared on the Commission's Daily Calendar of March 1, 1982. 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 the 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 32% increase in his passenger fares to offset increased operating expenses.

2. As shown in Table 1, applicant's passenger stage routes in the rate year will be conducted at a loss of \$86,413 under present fares.

3. The requested fare increase will result in additional annual gross revenues of \$98,988 with an operating ratio of 96% 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. No protests have been received, and a public hearing is not necessary.

7. 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. Applicant William H. Hunt is authorized to establish the increased fares proposed in Application 82-03-06. Tariffs shall be filed not earlier than the effective date of this order. They may go into effect 5 days' or more after the effective date of this order on not less than 5 days' notice to the Commission and to the public.

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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 5 days before the effective date of the fare changes and shall remain posted for at least 30 days.

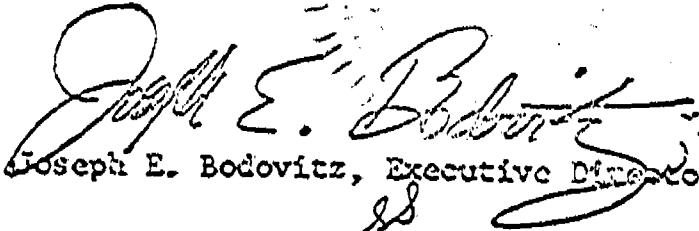
This order is effective today.

Dated JUL 7 1982, at San Francisco, California.

RICHARD D. GRAVELLE  
LEONARD M. GRIMES, JR.  
VICTOR CALVO  
PRISCILLA C. CREW  
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. Bodovitz, Executive Director