

Decision SZ OS 037 AUG 18 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of Application of
Mark IV Charter Lines, Inc. for
the authority to increase commuter
passenger rates.

Application 82-03-42
(Filed March 11, 1982)

O P I N I O N

Mark IV Charter Lines, Inc., a corporation, is operating as a passenger stage corporation (PSC-889) in home-to-work service between certain points in Los Angeles County, on the one hand, and the McDonnell-Douglas Huntington Beach Plant, on the other hand, and in ski bus service between certain points in Los Angeles, San Bernardino, Orange, and Ventura counties, on the one hand, and Mammoth Mountain Ski Resort, on the other hand. Applicant also conducts charter bus service under Class A Certificate TCP-171A and has certain interstate charter bus operations under authority granted by the Interstate Commerce Commission.

By this application applicant seeks to increase its home-to-work passenger fares by approximately 33.3% (from \$15/week to \$20/week).

Applicant alleges that its present rates do not yield sufficient revenue to allow it to conduct its passenger stage operations at a profit.

Applicant further alleges that additional revenue is required because of increased cost in all phases of operation, including fuel, insurance, labor, and maintenance.

The staff of the Transportation Division has made an analysis of the data included in the application. Included in these data are applicant's estimated results of operations for the home-to-work operation based on the future year ending June 30, 1983 under present and proposed fares, which is summarized as follows:

A.82-03-42 T/ctb *

	<u>Present Fares</u>	<u>Proposed Fares</u>	
Revenue	\$120,552	\$140,000	
Expenses	138,850	138,850	
Operating Income (Loss) Before Income Taxes	(18,298)	1,150	✓
Operating Ratio Before Income Taxes	115%	99%	✓

(Red Figure)

The results of operations show that with the proposed 33.3% fare increase, the operating ratio of the passenger stage service would be 99%.

Applicant's home-to-work passenger stage service is but a small part of its overall operation which is predominantly charter.

In accordance with Public Utilities Code Sections 730.3 and 730.5, the state and local agencies operating or planning public transit systems were notified and asked for comments regarding the proposed rate increases. No replies were received.

Notice of filing of this application appeared in the Commission's Daily Calendar on March 15, 1982. No protests have been received.

Findings of Fact

1. The requested fare increase would result in additional annual gross revenue of \$19,443.
2. The proposed fare increase is justified.
3. A public hearing is not necessary.

Conclusion of Law

The increased fares are reasonable and justified and should be granted.

O R D E R

IT IS ORDERED that:

1. Mark IV Charter Lines, Inc. is authorized to establish the increased fares proposed in Application 82-03-42. Tariff publications authorized to be made as a result of this order may be made effective not earlier than on 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 the required posting and filing of tariffs, applicant shall give notice to the public by posting in its buses and terminals, a printed explanation of its fares. Such notice shall be posted not less than 10 days before the effective date of the fare changes and shall remain posted for a period of not less than 30 days.

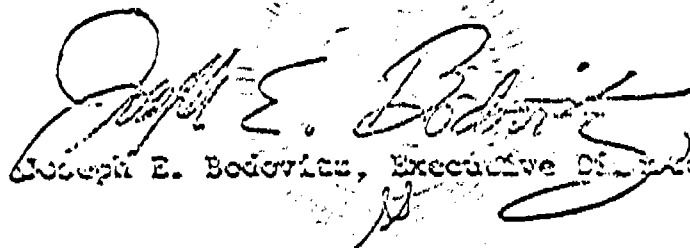
Since applicant is operating at a loss, this order is effective today.

Dated AUG 18 1982, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
Commissioners

Commissioner Priscilla C. Grew,
being necessarily absent, did
not participate

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


Joseph E. Bodovick, Executive Director