

T/ctb

Decision 82 10 020 OCT 6 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application )  
of HI-WAY TOURS, INC. A California )  
Corporation for authority to )  
increase fares for transportation )  
of passengers for sightseeing )  
purposes between points beginning )  
and ending in San Mateo County and )  
points of interest in the City and )  
County of San Francisco and/or )  
Marin County. )

Application 82-06-64  
(Filed June 28, 1982;  
amended August 26, 1982)

O P I N I O N

Hi-Way Tours, Inc. (applicant) is a passenger stage corporation (PSC-809) operating in sightseeing service between points in San Mateo County and points of interest in San Francisco and Marin County. Applicant is also authorized to conduct charter bus service under Class A Certificate TCP-131A.

By this application, as amended, applicant seeks to increase the fare for one of its authorized tours from \$7.50 to \$9.00, a 20% increase, and to have the certificate of public convenience and necessity transferred from four individuals doing business as Hi-Way Tours to Hi-Way Tours, Inc.

Applicant's present fares for Tour 1 were established April 7, 1979 by Decision (D.) 89424 dated September 19, 1978 in Application (A.) 58138. The fares for the other tours, which are not being operated, are the same as when the certificate to operate them was granted in 1967.

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 12-month period ending October 31, 1981 were conducted at a profit of \$4,225 as represented by an operating ratio before taxes of 95.5%.

The staff of the Transportation Division made an analysis of the data included in the application and the Annual Report to the Commission. Included in the application are applicant's estimated results of operations based on the future year ending March 31, 1983 under present and proposed fares assuming no diminution of traffic because of the fare increase, as follows:

TABLE 1

Estimated Results of Operations  
For Test Year Ending March 31, 1983

	<u>Present Fares</u>	<u>Proposed Fares</u>
Revenues	\$93,300	\$108,800
Expenses	94,300	94,300
Operating Income (Loss) Before Income Taxes	(1,000)	14,500
Operating Ratio Before Income Taxes	101.1%	86.7%

(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 \$1,000 with an operating ratio of 101.1%. The proposed fares will result in an annual gross revenue increase of \$15,500, a profit of \$14,500, with an operating ratio of 86.7% before taxes.

A.49114 was filed in the name of Robert J. Rubland, Maury Swidler, Nathan Swidler, and Stephen W. Hackett, doing business as Hi-Way Tours (seller). D.72814, dated July 25, 1967, granted a certificate of public convenience and necessity to these four individuals. At that time these individuals were the sole stockholders of Hi-Way Tours, Inc., a California corporation, and the holders of a Class A Charter-Party Carrier of Passengers Certificate (TCP-131A).

The passenger stage certificate was later amended by D.74842 dated October 22, 1968 in A.50414 to include a fifth route.

By the amendment to the current application, a request is made to transfer the certificate from the four individuals to the corporation. Applicant alleges that operating control of the operation was transferred to the corporation soon after the certificate was granted. Applicant failed to seek the authority of the Commission to make the transfer required by Section 854 due to a lack of knowledge of the Public Utilities Code, and since the Commission staff has brought the matter to applicant's attention, it seeks such authority.

Notice of the filing of this application appeared on the Commission's Daily Calendar of June 29, 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 (PU) 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 before tax loss of \$1,000 under present fares.
3. The requested fare increase will result in additional annual gross revenues of \$15,500 with an operating ratio of 86.7% 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. 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.

8. The certificate to operate as a passenger stage corporation is in the name of four individuals but the operations are under the control of Hi-Way Tours, Inc.

9. Applicant requests that the certificate be transferred to the corporation.

10. It is in the public interest to have the certificate in the name of the corporation.

Conclusions of Law

1. The increased fares are reasonable and justified.

2. The proposed transfer is not adverse to the public interest and should be authorized. A public hearing is not necessary.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

O R D E R

IT IS ORDERED that:

1. Robert J. Ruhland, Maury Swidler, Nathan Swidler, and Stephen W. Hackett may transfer the operative rights specified in the application to Hi-Way Tours, Inc.

2. Applicant shall:

a. File with the Transportation Division written acceptance of the certificate and a copy of the bill of sale or other transfer document within 30 days after transfer.

- b. Amend or reissue seller's tariffs and timetables, state in them when the service will start, make them effective 10 or more days after this order is effective, and allow at least 10 days' notice to the Commission.
- c. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol safety rules.
- d. Maintain accounting records in conformity with the Uniform System of Accounts.

3. If the transfer is completed, on the effective date of the tariffs a certificate of public convenience and necessity is granted to Hi-Way Tours, Inc., a corporation, authorizing it to operate as a passenger stage corporation, as defined in PU Code Section 226, between the points and over the routes set forth in Appendix PSC-809, to transport persons.

4. The certificate of public convenience and necessity granted by Decision 72814 and amended by Decision 74842 is revoked on the effective date of the tariffs.

5. Hi-Way Tours, Inc. is authorized to establish the increased fares proposed in Application 82-06-64. 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.

6. The authority shall expire unless exercised within 90 days after the effective date of this order.

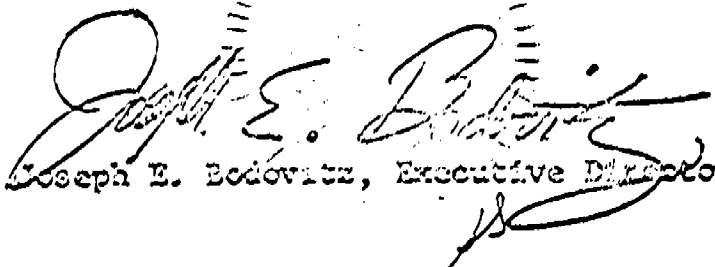
7. In addition to posting and filing tariffs, applicant shall post a printed explanation of its fares in its buses and terminals. The notice shall be posted at least 5 days before the effective date of the fare changes and shall remain posted for at least 30 days.

This order is effective today.

Dated OCT 6 1982, at San Francisco, California.

JOHN E. BRYSON  
President  
RICHARD D. GRAVELLE  
LEONARD M. CRIMES, JR.  
VICTOR CALVO  
PRISCILLA C. GREW  
Commissioners

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

  
Joseph E. Bodovitz, Executive Director

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Appendix PSC-809  
(D.72814)

HI-WAY TOURS, INC.

Original Title Page

CERTIFICATE  
OF  
PUBLIC CONVENIENCE AND NECESSITY  
AS A PASSENGER STAGE CORPORATION  
PSC-809

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Showing passenger stage operative rights, restrictions, limitations,  
exceptions, and privileges.

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All changes and amendments as authorized by  
the Public Utilities Commission of the State of California  
will be made as revised pages or added original pages.

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Issued by Decision 82 10 020, dated OCT 6 1982, of  
the Public Utilities Commission of the State of California in  
Application 82-06-64.

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Appendix PSC-809  
(D.72814)

HI-WAY TOURS, INC.

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SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,  
AND SPECIFICATIONS.

This certificate supersedes all operative authority previously granted to Robert J. Ruhland, Maury Swidler, Nathan Swidler, and Stephen W. Hackett, doing business as Hi-Way Tours or any predecessors.

Hi-Way Tours, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers for sightseeing purposes between points in a service area in San Mateo County, as described, on the one hand, and points of interest in the City and County of San Francisco and Marin County named in tours described, on the other hand, subject to the following conditions and restrictions:

- a. All service authorized shall be limited to the transportation of round-trip passengers only, originating and terminating at points within the prescribed service area in San Mateo County.
- b. Service shall be operated on a scheduled basis but carrier will not be obligated to render service for less than six passengers.
- c. Operations shall be conducted over the most suitable streets and highways subject to local traffic regulations.

Issued by California Public Utilities Commission.

Decision 82 10 020, Application 82-06-64.



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Appendix PSC-809  
(D.72814)

HI-WAY TOURS, INC.

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SECTION 2. SERVICE AREA.

Passengers may be picked up and discharged at any point within the following described area in San Mateo County subject to local traffic regulations:

Commencing at the intersection of the easterly prolongation of Grand Avenue (South San Francisco) with the San Francisco Bay; then along that prolongation, Grand Avenue, Chestnut Avenue, El Camino Real, Ralston Avenue (Belmont), and the easterly prolongation of Ralston Avenue to the San Francisco Bay, including points westerly of and within one mile of El Camino Real.

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SECTION 3. TOUR DESCRIPTIONS.

No. 1 San Francisco City Tour

Visit points of interest within the City of San Francisco and en route to San Francisco from the point of departure in San Mateo County; such points of interest, including but not limited to Civic Center, Fisherman's Wharf, Golden Gate Bridge, Ocean Beach, Golden Gate Park, Twin Peaks and Candlestick Park.

No. 2 Golden Gate Bridge and Muir Woods

Through the City of San Francisco to the Golden Gate Bridge; then via Sausalito to the foothills of Mt. Tamalpais and Muir Woods.

No. 3 Combination Tour

This tour combines the points of interest included in Tours Nos. 1 and 2.

No. 4 San Francisco Night Life Tour

Include stops at night clubs and places of entertainment and dinner at a restaurant in San Francisco. Also may include visits to locations affording panoramic views of San Francisco at night.

No. 5 Marine World

Marine World in Redwood City.

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