Decision <u>82 12 084</u> DEC 15 1982

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

APPLICATION OF NOB HILL ) LIMOUSINE AND TOURS, LTD. for ) authority to adjust its rates. )

Application 82-09-40 (Filed September 27, 1982)

# <u>o p i n i o n</u>

Nob Hill Limousine and Tours, Ltd. (applicant) is a passenger stage corporation (PSC-808) operating between points in the Counties of San Francisco, Marin, and San Mateo. Applicant is also authorized to conduct charter-party operations under a charter permit (TCP-688).

Applicant requests authority to increase passenger stage fares as indicated in the following table:

		Tour	Adult	nt Fares Children (2-11 Yrs.)	Propos Adult	sed Fares Children (2-11 Yrs.)
A	-	San Francisco City	\$ 8.00	\$4.00	\$17.50	\$9.00
B	_	Muir Woods - Sausalito	8.50	4.25	17.50	9.00
С	-	San Francisco Evening Dinner	10.50*	6.25* Not	17.50	9.00 Not
D	-	San Francisco Night Clubs & Hotels	18.00*		17.50	Allowed

Applicant's present fares were established by Decision (D.) 89470, dated October 3, 1978, in Application (A.) 57537.

\*Note: Tour includes costs for dinner and/or cover charges. Proposed fares are transportation charges only.

T/ctb

-1-

Applicant alleges that the requested fare increase is necessary to offset increases in operating costs.

Based on the information contained in the application, the following table sets forth the estimated results of operations under present and proposed fares for a test year ending December 31, 1983.

	Test Year Ending December 31, 1983		
	Present Fares	Proposed Fares	
Passenger Revenues	\$23,800	\$52,100	
Operating Expenses	47,300	47,300	
Operating Income (Loss) Before Income Taxes	(23,500)	4,800	
Operating Ratio Before Income Taxes	199%	91%	

#### (Red Figure)

As indicated by above table, applicant's operations in the test year ending December 31, 1983 under its present fares will be at a loss of \$23,500. The proposed fares will result in an annual gross revenue of \$52,100, an annual gross revenue increase of \$28,300, with an operating ratio of 91% before income taxes.

#### Findings of Fact

1. Applicant seeks authority to increase its passenger stage fares by approximately 119%.

2. Applicant's present fares were authorized by D.89470 dated October 3, 1978.

3. Applicant's operations in the test year ending December 31, 1983 under its present fares will be at a loss of \$23,500.

4. The requested fare increase will result in an additional annual gross revenue of \$28,300, with an operating ratio of 91% before income taxes.

5. The requested fares are necessary to offset applicant's increases in operating costs.

6. The fare increase requested in A.82-09-40 is justified.

7. No protests have been received concerning this application, and a public hearing is not necessary.

8. Since applicant's operations will be at a loss under the present fares, this order should be effective today.

## Conclusion of Law

The fare increase requested in A.82-09-40 is just and reasonable and should be granted.

## <u>O R D E R</u>

### IT IS ORDERED that:

1. Nob Hill Limousine and Tours, Ltd. is authorized to establish the increased fares as proposed in A.82-09-40, filed September 27, 1982. 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. This 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, Nob Hill Limousine and Tours, Ltd. shall give notice to the public by posting in its operating vehicles a printed explanation of its fares. Such notice shall be posted not less than five days before the effective date of the fare changes and shall remain posted for a period of not less than 30 days.

> This order is effective today. Dated \_\_\_\_\_\_\_\_\_\_, 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 BIN THE ABOVE COMMISSIONERS TODAY. Koeph E. Bodovitz, .Y