

**ORIGINAL**Decision 83 01 018 JAN 12 1983

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of Richard E. Parks, dba Parkway Stage for authority to increase fares for the transportation of passengers on regular scheduled routes in the cities of Vacaville, Fairfield, Vallejo, Pinole and Napa under original Application No. 58170, Decision No. 89890, dated January 16, 1979, and Application No. 58170, dated June 26, 1978, Amended November 13, 1978, and PSC-1059, and Application No. 59121, Decision No. 91297, dated August 27, 1979, and Application No. 59436, Decision No. 91413, dated April 14, 1980, and Application No. 59892, dated April 7, 1981.

Application 82-08-17  
(Filed August 5, 1982)

O P I N I O N

Richard E. Parks (applicant), doing business as Parkway Stage, is a passenger stage corporation (PSC-1059) operating from Vacaville, Fairfield, Vallejo, Pinole, and Napa to United Airlines Maintenance Base.

Applicant seeks authority to increase his passenger fares as follows:

<u>Facility Served</u>	<u>From</u>	<u>Present Weekly Fares</u>	<u>Proposed Weekly Fares</u>
United Airlines	Vacaville	\$19.00	\$21.00
Maintenance Base	Fairfield	18.00	20.00
at San Francisco	Vallejo	17.00	19.00
International Airport	Pinole	16.00	18.00
	Napa	18.00	20.00

Applicant also proposes to establish monthly fares and a daily fare as follows:

<u>From</u>	<u>Proposed Monthly Fares</u>	<u>Proposed Daily Fares</u>
Vacaville	\$84.00	\$5.00
Fairfield	80.00	5.00
Vallejo	76.00	4.50
Pinole	72.00	4.50
Napa	80.00	5.00

Applicant's present fares were established August 22, 1981 by Decision 93327, dated July 22, 1981, in Application 59947.

Applicant alleges that the requested fare increase is necessary to offset increases in operating costs. As shown in the Annual Report to the Commission, applicant's operations for the year 1981 were conducted at a profit of \$18,795 as represented by an operating ratio before taxes of 86%.

The following table sets forth applicant's estimated results of operations under present and proposed fares for a test year ended June 30, 1983, after adjusting to eliminate interest expense and to include an allowance for maintenance and cleaning of buses and minor bookkeeping performed by applicant and his wife.

TABLE 1

	<u>Test Year Ending June 30, 1983</u>	
	<u>Present Fares</u>	<u>Proposed Fares</u>
Revenues	\$103,241	\$125,810
Expenses Adjusted to Exclude Interest	105,514	105,514
Operating Income (Loss) Before Income Taxes	(2,273)	20,296
Operating Ratio Before Income Taxes	102.2%	83.9%

(Red Figure)

As indicated by the above table, applicant's operating income in the test year under his present fares will be a loss of \$2,273 with an operating ratio of 102.2%. The proposed fares will result in an annual gross revenue increase of \$22,569, a profit of \$20,296 with an operating ratio of 83.9%.

Notice of the filing of this application appeared on the Commission's Daily Transportation Calendar of August 10, 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 agencies 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 \$2.00 per week increase in his passenger fares to offset increased operating expenses and to establish monthly and daily fare schedules.

2. As shown in Table 1, applicant's operations in the test year will be conducted at a loss of \$2,273 under present fares.

3. The requested fare increase will result in additional annual gross revenues of \$22,569 with an operating ratio of 83.9% 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.

Conclusion of Law

The increased fares are reasonable and justified.

O R D E R

IT IS ORDERED that:

1. Richard E. Parks is authorized to establish the increased rates proposed in Application 82-08-17. 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.

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 his fares in his 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 becomes effective 30 days from today.

Dated JAN 12 1983, at San Francisco, California.

LEONARD M. GRIMES, JR.

President

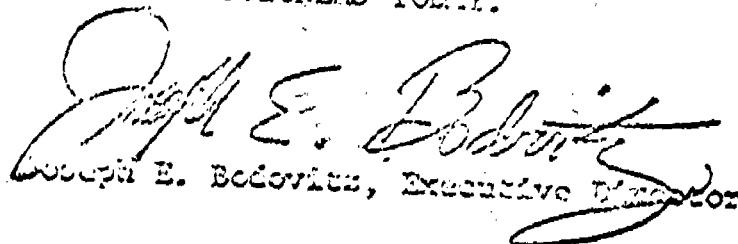
VICTOR CALVO

PRISCILLA C. GREW

DONALD VIAL

Commissioners

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

  
Joseph E. Bodovitz, Executive Director

MISSING  
FILE

DEC #

0830/0/8