

Decision 83 07 033 JUL 20 1983**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)
of 24 HOUR AIRPORT EXPRESS, INC.)
for authority to increase its)
Passenger Stage Fares, pursuant)
(sic) to Section 454 of the Public)
Utilities Code.)

Application 83-03-72
(Filed March 28, 1983)

O P I N I O N

24 Hour Airport Express, Inc. (applicant) is a passenger stage corporation (PSC-1043) operating an airport service and special event service between described points in Southern California.

Applicant seeks authority to increase its overall passenger fares by 6.7%.

Applicant's present fares were established May 17, 1982 by Decision 82-05-064 in Application 82-02-01.

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 period ending December 31, 1983 at present fares will be conducted at a loss of \$6,600, as represented by an operating ratio before taxes of 100.3%. ✓

The following table sets forth our Transportation Division staff's estimated results of operations under present and proposed fares for a test year ended December 31, 1983.

TABLE 1

	<u>Test Year Ending December 31, 1983</u>	
	<u>Present Fares</u>	<u>Proposed Fares</u>
Revenues	\$2,561,000	\$2,688,700
Expenses	2,567,600	2,567,600
Operating Income (Loss) Before Income Taxes	(6,600)	121,100
Operating Ratio Before Income Taxes	100.3%	95.5%

(Red Figure)

As indicated by the above table, applicant's operating income in the test year under its present fares will be at a loss of \$6,600 with an operating ratio of 100.3%. The proposed fares will result in an annual gross revenue increase of \$127,700, and a profit of \$121,100, with an operating ratio of 95.5% before taxes.

Notice of the filing of this application appeared on the Commission's Daily Calendar of March 29, 1983. No protest or request for public hearing has been received.

Findings of Fact

1. Applicant seeks a 6.7% 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 loss of \$6,600 under present fares.
3. The requested fare increase will result in additional annual gross revenues of \$127,700 with an operating ratio of 95.5%, 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. 24 Hour Airport Express, Inc. is authorized to establish the increased fares proposed in Application 83-03-72. 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 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 20 1983, at San Francisco, California.

LEONARD M. CRIMES, JR.
President

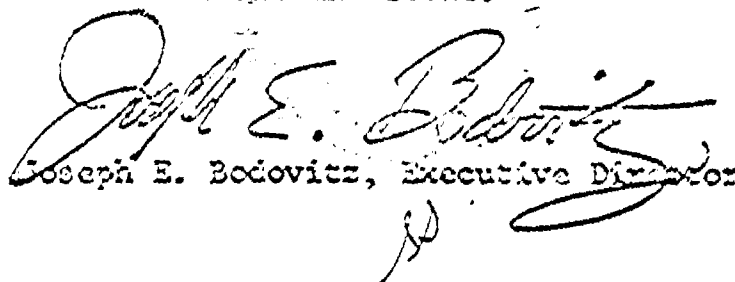
VICTOR CALVO

PRISCILLA C. GREN

DONALD VIAL

WILLIAM T. BAGLEY
Commissioners

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


Joseph E. Bodovitz, Executive Director