

ORIGINALDecision 83 08 028 AUG 3 1983

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application)	
of SURTRANS, INC., doing business)	Application 83-02-53
as COASTLINES, requesting authority)	(Filed February 24, 1983;
to increase certain of it's (sic))	amended May 5, 1983)
rates of fare.)	

O P I N I O N

Surtrans, Inc., doing business as Coastlines, is a passenger stage corporation (PSC-1128) operating between Monterey and San Luis Obispo and intermediate points.

By Application (A.) 83-02-53, as amended, applicant seeks authority to increase its passenger fares by an average of approximately 13%. Exhibit H of the amended application shows the proposed increased fares.

Applicant's present fares were established by Decision (D.) 92144, dated August 19, 1980, in A.59646.

Applicant alleges that the requested fare increase is necessary to offset increases in operating costs and the adverse effect on its passenger revenue, caused by Monterey Salinas Transit's "summer only" low fare service.

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, 1984.

	<u>Test Year Ending December 31, 1984</u>	
	<u>Present Fares</u>	<u>Proposed Fares</u>
Passenger Revenues	\$130,700	\$147,700
Operating Expenses	142,100	142,100
Operating Income (Loss) Before Income Taxes	(11,400)	5,600
Operating Ratio Before Income Taxes	109%	96%

(Red Figure)

As indicated by the above table, applicant's operations in the test year ending December 31, 1984 under its present fares will be at a loss of \$11,400. The proposed fares will result in an annual gross revenue of \$147,700, an annual gross revenue increase of \$17,000, with an operating ratio of 96% before income taxes.

Findings of Fact

1. Applicant seeks authority to increase its passenger stage fares by approximately 13%.
2. Applicant's present fares were authorized by D.92144 dated August 19, 1980.
3. Applicant's operations in the test year ending December 31, 1984 under its present fares will be at a loss of \$11,400.
4. The requested fare increase will result in an additional annual gross revenue of \$17,000, with an operating ratio of 96% before income taxes.
5. The requested fares are necessary to offset applicant's increases in operating costs.
6. The fare increase requested in A.83-02-53 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, the effective date of this order should be the date of signature.

Conclusion of Law

The fare increase requested in A.83-02-53 is just and reasonable and should be granted.

O R D E R

IT IS ORDERED that:

1. Surtrans, Inc. is authorized to establish the increased fares as proposed in A.83-02-53, filed February 24, 1983, as amended. 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, Surtrans, Inc. 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.

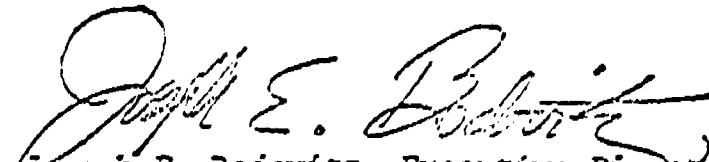
This order is effective today.

Dated AUG 3 1983, at San Francisco, California.

LEONARD M. GRIMES, JR.
President

VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

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


Joseph E. Bodovitz, Executive Director