

Decision 83 09 052 SEP 7 1983

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Eureka-Redding Stages,)	
Inc., dba Redwood Empire Lines, for)	
authority to increase rates and charges)	Application 83-07-05
applicable to the transportation of)	(Filed July 5, 1983)
passengers and express.)	

O P I N I O N

Eureka-Redding Stages, Inc. (applicant), dba Redwood Empire Lines, is a passenger stage corporation (PSC-126) operating between Eureka and Redding.

Applicant seeks authority to increase its passenger fares and express rates by approximately 10% to offset increases in operating costs. Applicant further proposes to increase the minimum one-way fare of 60 cents to \$1.00. Applicant also proposes certain minor revisions in its express tariff, establishing a 65-cent surcharge per shipment of cut flowers, ferns, greens, floral pieces, and plants, in addition to applicable express rates set forth in Section 3 of its present tariff.

Applicant's present passenger fares and express rates were established by Decision (D.) 93706, dated November 3, 1981, in Application (A.) 60712.

Applicant alleges that the requested increases in passenger fares and express rates are 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.

	<u>Test Year Ending December 31, 1983</u>	
	<u>Present Fares</u>	<u>Proposed Fares</u>
Operating Revenues	\$535,500	\$556,500
Operating Expenses	539,000	544,100
Operating Income (Loss)		
Before Income Taxes	(3,500)	12,400
Operating Ratio		
Before Income Taxes	101%	98%

(Red Figure)

As indicated by the above table, applicant's operating income in the test year ending December 31, 1983 under its present fares and rates will be at a loss of \$3,500 with an operating ratio of 101%. The proposed fares will result in an annual gross operating revenue of \$556,500, an annual gross revenue increase of \$21,000, with an operating ratio of 98%.

Notice of the filing of this application appeared on the Commission's Daily Calendar of July 8, 1983. No protest or request for public hearing has been received.

Findings of Fact

1. Applicant seeks authority to increase its passenger stage fares and express rates by approximately 10%.
2. Applicant's present fares were authorized by D.93706 dated November 3, 1981.
3. Applicant's operations in the test year ending December 31, 1983 under its present fares will be at a loss of \$3,500.
4. The requested fare increase will result in an additional annual gross revenue of \$21,000, with an operating ratio of 98% before income taxes.

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

6. The fare increase requested in A.83-07-05 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.83-07-05 is just and reasonable and should be granted.

O R D E R

IT IS ORDERED that:

1. Eureka-Redding Stages, Inc. is authorized to establish the increased passenger fares, express rates, and rules proposed in A.83-07-05. 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, applicant 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.

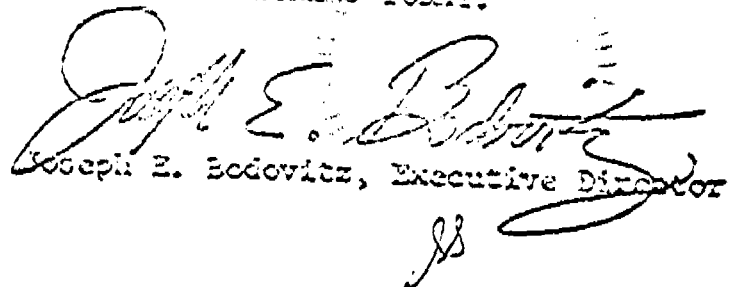
This order is effective today.

Dated SEP 7 1983, at San Francisco, California.

Commissioner William F. Bagley
being necessarily absent, did
not participate.

LEONARD M. GRIVES, 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