

T/ctb

Decision 83 09 053 SEP 7 1983

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application)
of G. L. Freed D.B.A. Calaveras)
Transit Co.: Authorization for)
an increase in express rates and)
fares.)
_____)

Application 83-07-52
(Filed July 27, 1983)

O P I N I O N

G. L. Freed (applicant), doing business as Calaveras Transit Co., is a passenger stage corporation (PSC-842) operating intercity bus service between described points in San Joaquin and Calaveras Counties.

Applicant seeks a 30% increase in his passenger fares and express rates.

Applicant's present fares were established October 22, 1980 by Decision 92335 in Application 59698.

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 June 30, 1984 at present fares will be conducted at a loss of \$10,194, as represented by an operating ratio before taxes of 127.9%.

The following table sets forth our Transportation Division staff's estimated results of operations under present and proposed fares for a test year ended June 30, 1984.

TABLE 1

	<u>Test Year Ending June 30, 1984</u>	
	<u>Present Fares</u>	<u>Proposed Fares</u>
Revenues	\$36,415	\$47,340
Expenses	46,609	46,609
Operating Income (Loss) Before Income Taxes	(10,194)	731
Operating Ratio Before Income Taxes	127.9%	98.4%

(Red Figure)

As indicated by the above table, applicant's operating income in the test year under his present fares will be at a loss of \$10,194 with an operating ratio of 127.9%. The proposed fares will result in an annual gross revenue increase of \$10,925, and a profit of \$731, with an operating ratio of 98.4% before taxes.

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

Findings of Fact

1. Applicant seeks a 30% increase in his passenger fares and express rates 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 \$10,194 under present fares.

3. The requested fare increase will result in additional annual gross revenues of \$10,925 with an operating ratio of 98.4%, 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. G. L. Freed is authorized to established the increased fares proposed in Application 83-07-52. 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.

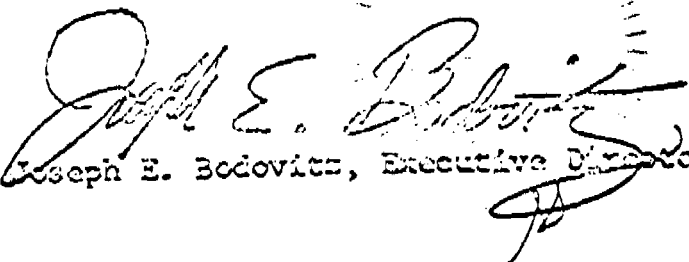
This order is effective today.

Dated SEP 7 1983, at San Francisco, California.

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

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