

ORIGINAL

Decision 83 10 074 OCT 19 1983

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of J. Chapman Morris, dba Fillmore Area Transit Corp., an individual, for the authority to increase fares for the transportation of passengers in Ventura County, to offset recent increases in fuel and other operating expenses.

Application 83-08-72  
(Filed August 31, 1983)

O P I N I O N

J. Chapman Morris (applicant), dba Fillmore Area Transit Corp., is a passenger stage corporation (PSC-1202) operating local and intercity transit service between points in Ventura County.

Applicant seeks authority to increase his passenger fares, which will increase revenue by approximately 2%. Table 1 sets forth the revenue under the present and proposed fares. Applicant's present fares were established by Decision 82-10-36 dated October 15, 1982.

Applicant alleges that the requested fare increase is necessary to offset increases in operating costs.

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	\$122,632	\$124,632
Expenses	119,263	119,263
Operating Income Before Income Taxes	3,369	5,369
Operating Ratio Before Income Taxes	97.3%	95.7%

As indicated by the above table, applicant's operating income in the test year under his present fares will be at a profit of \$3,369 with an operating ratio of 97.3%. The proposed fares will result in an annual gross revenue increase of \$2,000, and a profit of \$5,369, with an operating ratio of 95.7% before taxes.

Notice of the filing of this application appeared on the Commission's Daily Calendar of September 2, 1983. No protest or request for public hearing has been received.

#### Findings of Fact

1. Applicant seeks increases in his 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 profit of only \$3,369 under present fares.
3. The requested fare increase will result in additional annual gross revenues of \$2,000 with an operating ratio of 95.7% 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. J. Chapman Morris is authorized to establish the increased fares proposed in Application 83-08-72. 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.

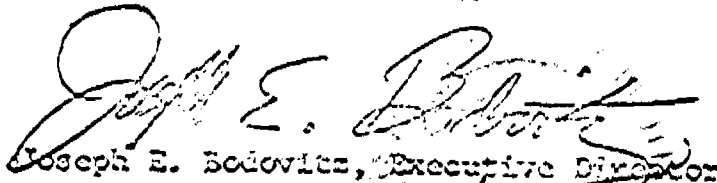
3. In addition to posting and filing tariffs, applicant shall post a printed explanation of his fares in his buses and terminals. The notice shall be posted at least 5 days before the effective date of the fare changes and shall remain posted for at least 30 days.

This order is effective today.

Dated OCT 19 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