

ORIGINAL

Decision No. 86782

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
Storer Transportation Service, Inc.	)	
to increase its California intrastate	)	
passenger fares and express rates for	)	Application No. 56719
its certificated service between	)	(Filed August 30, 1976)
Modesto, California and Oakdale,	)	
California and points intermediate	)	
thereto.	)	

O P I N I O N

Storer Transportation Service, Inc., presently provides service as a passenger stage corporation (PSC 930) for the transportation of passengers and express between Modesto and Oakdale and intermediate points over State Highway Route 108. One round trip is operated each morning and each afternoon, five days a week. Applicant also provides extensive school bus service and passenger charter-party operations.

The applicant seeks authority to increase its passenger fares and express rates on its passenger stage operations as follows:

- (a) Increase all one-way passenger fares by 100% with a minimum fare of 50 cents.
- (b) Discontinue round-trip fares.
- (c) Increase the express rates by 100 percent with a minimum charge of one dollar.

The applicant alleges that the present low rates and the low volumes of traffic make this service between Modesto and Oakdale very non-compensatory.

The staff of the Transportation Division has made an analysis of applicant's operation and submitted a report on the estimated results of operations based on the future year ending December 31, 1977 under present and proposed rates.

The report is hereby received as Exhibit 1. The analysis shows a continued downward trend in intercity passenger stage service, patronage and revenues. The results of operation show that even with the proposed 100 percent rate increase the operating ratio of the intercity passenger stage service would be over 190%, with a net loss of \$3,430.

In accordance with Sections 730.3 and 730.5 of the Public Utilities Code, the State and local agencies operating or planning public transit systems were notified and asked for comments regarding the proposed rate increase. The City of Modesto responded with the comment that the matter should be decided by the Commission.

The City of Riverbank opposed the requested 100 percent rate increase and requested modifications in the proposal. The staff presented its results of operation to the City and explained the need and justification for the proposed rate increase. The City was requested to comment by December 10, 1976 but the Commission has not received any response.

Notice of filing of this application appeared in the Commission's Daily Calendar on August 31, 1976. No other protests have been received.

After consideration, the Commission finds that:

1. The requested rate increase would result in additional annual revenue in the amount of \$1,900.
2. The proposed rate increase is justified.
3. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Storer Transportation Service is authorized to establish the increased rates proposed in Application 56719. Tariff publications authorized to be made as a result of this order may be made effective not earlier than five days after the effective date of this order on not less than five 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 the required posting and filing of tariffs, applicant shall give notice to the public by posting in its buses and terminals a printed explanation of its rates. 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.

In view of the extreme operating losses, even with the increased rates, the effective date of this order is the date hereof.

Dated at San Francisco, California, this 21<sup>st</sup> day of DECEMBER, 1976

[Signature]  
President  
William J. [Signature]  
[Signature]  
[Signature]  
Commissioners

Commissioner Robert Batnovich, being necessarily absent, did not participate in the disposition of this proceeding.