Decision No. 86816

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of application of Douglas Bus Lines, Inc., a corporation, for <u>emergency authority</u> to increase fares to offset increase in general operating costs.

Application No. 56799 (Filed October 8, 1976)

<u>OPINION</u>

Douglas Bus Lines, Inc. (Douglas) operates service as a Passenger Stage Corporation (PSC-453) along some 40 routes in Southern California. The service is of the "home-to-work" character, providing commute transportation from residential neighborhoods to several large places of employment in the Los Angeles area. By this application, Douglas seeks authority to increase its weekly passenger fares to offset recent increases in certain operating expenses.

Presently, the fares range from \$5.75 to \$11.50 per week depending on the route involved; fares would increase to between \$7.25 and \$14.00 per week if this application is granted.

Douglas also seeks authority to increase tariff fares on several routes not presently being operated, and to supplement its regular weekly fares with the addition of daily fares. The daily fares would benefit passengers by enabling them to travel one or two days without being required to pay a full weekly fare as is now the case.

In support of this application, Douglas cites certain increased labor expenses as well as increases in the cost of fuel. Insurance and driver expenses will increase with any increase in gross revenues.

This application was listed in the Commission's Daily Calendar. Additionally, the Commission staff notified affected public transit operators and planning agencies of the receipt of this application, pursuant to California Public Utilities Code Sections 730.3 and 730.5. No protests or substantive comments

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have been received. The Commission staff has reviewed this application and recommends that it be granted. The staff estimates that the operating ratio under present fares is approximately 103 percent and would be about 97 percent under the proposed fares. A public hearing is not necessary.

After consideration, the Commission finds that:

1. The requested increase would result in additional annual revenues in the amount of \$60,139.

2. The proposed increases in weekly passenger fares are justified.

3. The proposed addition of daily fares is reasonable and will represent an added convenience to the passengers.

ORDER

IT IS ORDERED that:

1. Douglas Bus Lines, Inc., is authorized to establish the increased weekly fares with the addition of the new daily fares, as proposed in A. 56799. 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. This authority shall expire unless exercised within ninety 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 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 thirty days. A. 56799

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Since the carrier is presently operating at a loss, the effective date of this order is the date hereof.

Dated at <u>San Francisco</u>, California, this <u>5</u>2 JANUARY , 1977. day of ____ President

Commissioners