

Decision No. 87483 Jun 21, 1977

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Eureka-Redding)	
Stages, Inc. dba Redwood Empire)	
Lines, for authority to increase)	Application No. 57153
rates and charges applicable to)	(Filed March 17, 1977)
the transportation of passengers)	
and express)	

O P I N I O N

Eureka-Redding Stages, Inc., dba Redwood Empire Lines, presently provides service as a passenger stage corporation (PSC-126) between Eureka and Redding. By this application, Eureka-Redding Stages, Inc. seeks authority to increase passenger fares approximately 18% and express rates approximately 33%. Applicant also proposes to eliminate its one-way fare between Eureka-Arcata and Redding for use in constructing a joint through fare to Sacramento. Applicant further proposes to establish a minimum one-way fare of 60 cents.

The applicant alleges that the requested rate increases would cover the substantial increase in fuel, maintenance, insurance and labor expenses incurred since the present rates were authorized.

The present rates of the applicant were established by Decision 81430, dated May 30, 1973.

The staff of the Transportation Division has made an analysis of applicant's operations, and submitted a report on the estimated results of operations based on the rate year ending December 31, 1977 under present and proposed rates. The report is hereby received as Exhibit No. 1. The exhibit indicates the following results:

EUREKA-REDDING STAGES, INC.
 dba
REDWOOD EMPIRE LINES
RESULTS OF COMMON CARRIER OPERATIONS

<u>Item or Account No. Description</u>	<u>Adjusted Historical Year 1976</u>	<u>Rate Year 1977</u>	
		<u>Present Rates</u>	<u>Requested Rates</u>
<u>Revenues</u>			
320 Passenger	\$35,910	\$35,910	\$40,460
322 Express	6,500	6,500	8,640
300 Total Revenues	<u>\$42,410</u>	<u>\$42,410</u>	<u>\$49,100</u>
<u>Expenses</u>			
410 Maintenance	\$ 9,810	\$10,600	\$10,600
420 Transportation	12,300	13,760	13,760
430 Station	2,360	2,360	2,940
440 Traffic	1,140	1,450	1,450
450 Insurance	2,710	3,520	3,520
460 Administration	6,380	7,430	7,430
500 Depreciation	3,030	3,030	3,030
520 Taxes	3,720	4,040	4,040
530 Rent	860	1,050	1,050
400 &			
500 Total Expenses	<u>\$42,310</u>	<u>\$47,240</u>	<u>\$47,820</u>
Operating Income	\$ 100	\$-4,830	\$ 1,280
800 Income Tax	-	-	350
Net Income	<u>\$ 100</u>	<u>\$-4,830</u>	<u>\$ 930</u>
Operating Ratio - %	99.8	111.4	98.1

In accordance with Section 730.3 of the Public Utilities Code, affected state and local public agencies and corporations operating passenger transit systems were notified of the application and were requested to furnish an analysis of the effect of the proposed rate increase on overall transportation problems within the territories served by such passenger transit systems. No comments from the notified parties have been received.

In accordance with Section 730.5 of the Public Utilities Code, we find that the fare increase granted by this decision will result in a decrease in patronage of approximately five percent. The fare increase will have no effect upon public transit systems as proposed in required transportation plans prepared pursuant to Chapter 2.5 of Title 7 of the Government Code.

Notice of filing of this application appeared in the Commission's Daily Calendar on March 21, 1977. No protests have been received.

After consideration the Commission finds that:

1. The requested increase would result in additional annual revenue in the amount of \$6,690.
2. The proposed rate increase is justified.
3. A public hearing is unnecessary.

The Commission concludes that the application should be granted.

O R D E R

IT IS ORDERED that:

1. Eureka-Redding Stages, Inc., dba Redwood Empire Lines, is authorized to establish the increased rates proposed in Application 57153. 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 rate changes and shall remain posted for a period of not less than thirty days.

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

Dated at San Francisco, California, this 21st day of JUNE, 1977.

President
William J. ...
Vernon L. Sturgeon
Richard D. ...

Commissioners

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