

Decision No. 87560

July 6, 1977

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE GRAY LINE,)
INC. for an order authorizing an)
increase in sightseeing fares)
and sightseeing tour pickup and)
return service fare.)

Application No. 57218
(Filed April 11, 1977)

O P I N I O N

The Gray Line, Inc. (Gray Line) is a passenger stage corporation engaged in providing round-trip sightseeing tours and other transportation in the San Francisco Bay Area, pursuant to operating authority granted by this Commission. It here seeks a 15 percent increase in its sightseeing fares.

Applicant's present and proposed fares are set forth in its Appendix A to the application.

Gray Line avers that the purpose of the application is to obtain additional revenues to reflect labor and other cost increases recently incurred and to obtain a reasonable operating ratio.

The Passenger Operations Branch of the Commission's Transportation Division has analyzed the application and has reviewed the last Commission decision which authorized a fare increase to Gray Lines, Inc. (D. 85635, dated March 30, 1976 in A. 55968). Revisions have been made in applicant's estimates by the staff to reflect findings reached in D. 79906 (A. 52625) with respect to services performed for limousine operators and income tax calculations, and to include imputed revenue for charter operations so that the fare-regulated operations do not bear the increased cost of the charter operations.

The staff's revised estimates are contained in a document entitled "Commission Staff Estimate of Operating Results for Future Rate Year" which is received in evidence as Exhibit 1. The estimates indicate a 95.25 percent operating ratio under the staff's recommended fare increase of 6.5 percent. In its calculations the

staff has provided for only that additional revenue made necessary by the identifiable expense increases incurred since Decision 85635. The staff has prepared a table of applicant's fares showing therein applicant's presently authorized fares and the fares recommended by the staff. This table is set forth herein as Appendix A.

By letter dated June 6, 1977, the applicant stated it was willing to accept a 6.5 percent fare increase in lieu of the 15 percent requested in its application, and requested that it be granted on an ex parte basis. This letter is received in evidence as Exhibit 2.

Notice of the filing of the application was mailed in accordance with Rule 24 of the Commission's Rules of Practice and Procedure. No protests or requests for public hearing have been received.

Applicant provides a specialized sightseeing service which we find not to be included within Sections 730.3 and 730.5 of the Public Utilities Code; therefore, notification and findings pursuant to those sections are not required.

Findings

1. Gray Line is a passenger stage corporation performing a sightseeing service in the San Francisco Bay Area.
2. Gray Line's fares were last increased in 1976.
3. Gray Line has recently incurred increases in labor and other costs.
4. An increase in fares of 6.5 percent, recommended by the Commission staff, will produce additional annual passenger stage revenue of \$191,626 and produce an operating ratio (after taxes) of 95.25 percent.
5. Applicant is willing to accept a 6.5 percent increase.
6. A 6.5 percent fare increase is justified.
7. A public hearing is not necessary.

The Commission concludes that:

1. Applicant should be granted a 6.5 percent increase in its fares, as provided for in the following order.
2. To the extent not granted herein Application 57218 should be denied.

3. The effective date of this order should be the date on which it is signed because there is no known opposition and there is no reason to delay the increased fares.

O R D E R

IT IS ORDERED that:

1. The Gray Line, Inc. is authorized to increase its present passenger fares set to the levels indicated in Appendix A, attached. 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 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 and terminals 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.

4. To the extent not granted herein Application 57218 is denied.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 6th
JULY
day of . 1977.

Ralut Batizovich
President

William Lyness Jr.

Vernon L. Sturgeon

Richard D. Gravelle

Commissioners

		Passenger Fares As	
Route (Tour)		Presently	Adopted
Tour No. :	Description	Authorized	Herein
1A	San Francisco	\$ 4.55	\$ 4.85
1B	" "	5.15	5.50
1C	" "	6.00	6.40
1D	" " (via Fisherman's Wharf)	4.80	5.10
1E	" " (via Golden Gate Bridge and Fisherman's Wharf)	5.45	5.80
1F	" " (Downtown Skyline)	6.00	6.40
2A	Golden Gate Park - Presidio	3.15	3.35
2B	Oakland-Golden Gate Park-Presidio	4.90	5.20
3A	Chinatown	3.55	3.80
3B	" "	4.25	4.55
3C	" "	4.90	5.20
3G	" (Chinese Guides)	3.55	3.80
5A	U.C. Berkeley	5.20	5.55
5B	" "	4.45	4.75
6	Wine Country & Valley of the Moon	11.35	12.10
7	Mt. Tamalpais & Muir Woods	8.50	9.05
8	Carmel - 17-Mile Drive	15.10	16.10
9	Stanford University	6.35	6.75
9A	" " & Marine World	8.70	9.25
9B	San Francisco-Marine World	7.55	8.05
12	Muir Woods/Redwoods	5.20	5.55
12A	" " " -Sausalito	5.45	5.80
14	Santa Cruz-San Juan Bautista	11.65	12.40
16	Berkeley-Muir Woods	8.90	9.50
17	San Francisco & Lake Merritt	2.50	2.65
21	San Francisco & Sausalito	2.50	2.65
25	3 Bridges	5.65	6.00
26	Mt. Tamalpais & Muir Woods	6.90	7.35
27	49-Mile Drive	5.45	5.80
28	Mother Lode	27.50	29.30
28A	Gold Country	15.80	16.85
30	Hearst Castle	26.90	28.65
-	Pickup Service	2.40	2.55
-	Great America Tours-(Adult)	9.05	9.65
-	" " " -(Child)	4.50	4.80