

Decision No. 88435 JAN 31 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of AIRPORT SERVICE,  
INCORPORATED, for authority to  
lease equipment. )

Application No. 57725  
(Filed December 1, 1977)  
(Amended December 27, 1977)

O P I N I O N

Applicant, Airport Service, Incorporated, (Airport Service), seeks authority to amend the terms of an equipment lease agreement between it and its wholly-owned affiliate, Orange Coast Sightseeing Company (Orange Coast).

By Decision No. 76330, dated October 28, 1969, in Application No. 50491, Orange Coast was granted authority to lease bus equipment from Airport Service. The lease agreement in Application No. 50491 provided for payment by Orange Coast for the use of 29-passenger buses at the rate of 28 cents per mile and for the use of 45-passenger buses at the rate of 31 cents per mile. It also provided that Orange Coast may hire bus drivers employed by Airport Service.

In the lease agreement in Application No. 57725, as amended on December 27, 1977, Airport Service proposes to charge Orange Coast 41.15 cents per mile for the use of 45-, 49-, or 53-passenger buses. Applicant states that this increase is necessitated by the increase in cost of the motor coaches, and the increase in cost for their operation and maintenance. No change in rates to the public will result from approval of the revised lease. Notice of the filing of this application appeared in the Commission's Daily Calendar on December 6, 1977. No protest or request for public hearing has been received.

After consideration, the Commission finds that:

1. No change in rates charged to the public by Airport Service or Orange Coast will result from authorization of the revised lease proposed herein.
2. The revised lease, as proposed herein, is not adverse to the public interest.

The Commission concludes that:

1. A public hearing is not necessary.
2. The application, as amended, should be granted.

The findings and conclusions of this decision are not to be considered as approval of the reasonableness of the resulting rentals and intercompany charges, as proposed in the revised lease in the determination of just and reasonable rates in any future proceeding before this Commission.

ORDER

IT IS ORDERED that Airport Service, Incorporated, may lease equipment to Orange Coast Sightseeing Company in the manner and for the purposes set forth in the lease agreement attached to the application, as amended in this proceeding.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Diego, California, this 31st  
day of JANUARY, 1978.

Robert Botwinch  
President  
William S. Snow, Jr.  
Richard D. Howell  
Clare J. DeBrieh  
Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.