

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of FALCON CHARTER SERVICE, a California Corporation, for authority to increase--on both an interim and a permanent basis--its commuter fares between San Francisco and Foster City, pursuant to the provisions of Section 451 and 454 of the Public Utilities Code of the State of California.

for authority to abandon its certificated commuter service between San Francisco and Foster City.

ORDER DISCONTINUING PROCEEDING

Falcon Charter Service (Falcon), a corporation, formerly operated as a passenger stage corporation between Foster City and San Francisco. That operative right was transferred to Mission Trails Charter Service, Inc. (Mission Trails) pursuant to Decision No. 87762 dated August 23, 1977 in Application No. 56923. Mission Trails began operation of the commute service on September 1, 1977.

Prior to the transfer, an interim fare increase of 26.9015 percent was authorized to Falcon by Decision No. 86947 dated

February 8, 1977 in this proceeding. Second Interim Decision
No. 87450 issued June 7, 1977 contained the following order:

1. Falcon Charter Service shall establish a record of the purchasers of commute tickets for service between Foster City and San Francisco sold on and after the effective date of this order (June 7, 1977).

2. In connection with commute tickets referred to in the preceding ordering paragraph, the difference in revenues between the fares established pursuant to Interim Decision No. 86947 and those fares in effect immediately prior thereto shall be segregated and placed in a separate, interest-bearing escrow account. Only fares collected on and after the effective date of this order are subject to this order.

3. In the event that a fare level below that authorized and established pursuant to Decision No. 86947 is ultimately found justified in this proceeding, the difference between the revenues under fare level ultimately found reasonable and the revenues under fare levels established pursuant to Decision No. 86947 shall be refunded with interest to the purchasers of commute tickets referred to in Ordering Paragraph 1 above.

Following transfer of the operative right, further hearings were held in this proceeding on a common record with Case No. 10131.^{1/} The Foster City Transportation Committee (Transportation Committee) on behalf of the users of the commute service, negotiated a settlement of the remaining issue in Application No. 56923; that is, what refunds, if any, are due to riders from the monies held in escrow by Falcon during the period June 7 through August 30, 1977.

^{1/} Case No. 10131 is the complaint of City Council of the City of Foster City, California, and Foster City Transportation Committee, City of Foster City, California, concerning the service of Falcon Charter Service, on its Foster City-San Francisco commute service.

The settlement agreement reached between Transportation Committee and Falcon was filed with the Commission on January 23, 1978 and contains the following provisions:

1. Falcon will return \$1,200 plus \$40.50 accrued interest (at 5½ percent per annum from June 7, 1977 - the date of Decision No. 87450 - through January 17, 1978) to the riders and will keep the remainder of the escrowed funds.
2. Falcon will provide Transportation Committee with its records of individuals who purchased commute tickets during the escrow period.
3. Transportation Committee, based on those records, will determine the allocation method and the amount to be distributed to each appropriate rider. It will provide Falcon with a list including name, address, and amount to be paid for each rider.
4. Falcon will prepare individual checks made payable to and showing the name and address of each of the riders on the list provided by Transportation Committee. Falcon will deliver the checks to Transportation Committee within 10 days after a PUC decision ratifying this agreement.
5. Transportation Committee will be responsible for delivery of the checks to the riders.

The Commission staff has reviewed the settlement agreement and has no objection thereto.

In the circumstances we find that the proposed settlement is reasonable and should be approved and that further hearing in Application No. 56923 is not necessary.

This proceeding will be discontinued on March 31, 1978 unless the Commission is informed before that date by one of the parties to the settlement agreement that the terms of that agreement have not been carried out.

IT IS ORDERED that:

1. The terms of settlement agreement filed January 23, 1978 for the disposition of the funds ordered to be escrowed by Decision No. 87450 are approved.

2. Application No. 56923 is discontinued on March 31, 1978 unless the Commission is informed before that date by one of the parties to the settlement agreement that the terms of that agreement have not been complied with.

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

Dated at San Francisco, California, this 7th day of MARCH, 1978.

Roluit Bateman
President
William J. Gorman
Victor L. Stenger
Richard D. Gumbel
Laurel A. Delich
Commissioners