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Decision No. 89023 JUN 27 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of
SOUTHERN CALIFORNIA COMMUTER BUS
SERVICE, INC., doing business as
COM-BUS, for authority to increase
rates on certain commuter routes

Application No. 57884
(Filed February 23, 1978)

Applicant.

O P I N I O N

Southern California Commuter Bus Service, Inc., doing business as COM-BUS, presently provides service as a passenger stage corporation (PSC-943). By this application, COM-BUS seeks authority to increase a portion of its fares by 26.6% to 27.2% between various employment centers in the Los Angeles Airport area on the one hand and various points in Los Angeles and Orange Counties on the other hand.

The present and proposed fares are as follows:

<u>Route</u>	<u>Present Rate (\$/week)</u>	<u>Proposed Rate (\$/week)</u>
1, VA-2, VA-3, VA-4, VA-6, VA-7, CC-11, CC-12, NA-1, NA-2, NA-3, NA-4, NA-4a, NA-7, NA-7a, NA-8, SB-4, SB-4a, SB-4b, SB-7, SB-7a, SB-8, SB-8a:		
All stops except as noted below	13.00	16.50
VA-9, SB-9: All stops	11.00	14.00
1, VA-6: All stops prior to Culver Drive	15.00	19.00
NA-7, SB-7: All stops prior to Valley Circle	15.00	19.00
NA-7a: All stops prior to Malibu Canyon Road	15.00	19.00

The present fares were established by Decisions 83120 and 83467, dated July 9, 1974, and September 1, 1974, respectively, in Application Nos. 54141, 54213 and 54214.

The applicant alleges that the proposed fares will offset higher operating costs including higher lease rates. The applicant presently leases all the vehicles used in its operation.

The staff of the Transportation Division has made an analysis of the applicant's operation and submitted a report on the adjusted estimated results of operations based on the future year ending December 31, 1978 under present and proposed fares.

The report is hereby received as Exhibit 1. The exhibit indicates the following results:

: Line :	Reference :	Item or Account : Number: Description :	Present : Requested : Fares : Fares :
(1)	(2)	(3)	(4) (5)
1		Bus Miles	247,324 247,324
2		Passengers	169,487 169,487
		<u>Revenue</u>	
3	320	Passenger	\$245,333 \$270,881
		<u>Expenses</u>	
4	410	Maintenance	244 244
5	420	Transportation	3,401 3,401
6	440	Traffic	477 477
7	450	Insurance	3,084 3,084
8	460	Administration	14,202 14,202
9	500	Depreciation	3,410 3,410
10	520	Tax	1,971 1,971
11	530	Rent	<u>228,451</u> <u>228,451</u>
12	L 4 to L 11	400 & Total Expenses	\$255,240 \$255,240
		500	
13	L 3 less L 12	Operating Income	\$ -9,907 \$ 15,641
14		800 Income Tax	\$ <u>200</u> \$ <u>4,254</u>
15	L 13 less L 14	Net Income	\$-10,107 \$ 11,387
17	(L12 + L14) ÷ L3	Operating Ratio	- % 104.1 95.8

Notice of filing of this application appeared in the Commission's Daily Calendar on February 27, 1978. Additionally, the Commission staff notified public transit operating and planning agencies of the filing of this application, pursuant to California Public Utilities Code Sections 730.3 and 730.5. No protests have been received. The Southern California Rapid Transit District sent a statement that "passenger checks indicate that seats are available on the present services operated by the District to absorb any additional ridership if deflection occurs as a result of a fare increase."

F I N D I N G S

After consideration, the Commission finds that:

1. The requested fare increase would result in additional annual revenue of \$25,548.
2. The proposed fare increase is justified.
3. A public hearing is unnecessary.
4. Applicant is operating at a substantial loss.

O R D E R

IT IS ORDERED that:

1. Southern California Commuter Bus Service, Inc., doing business as COM-BUS, is authorized to establish the increased fares proposed in Application 57884. Tariff publications authorized to be made as a result of this order shall 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 a printed explanation of its fares. Such notice shall be posted not less than five days before the effective

date of the fare increase and shall remain posted for a period of not less than thirty days.

4. Applicant shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission.

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

Dated at San Francisco, California, this 27th day of JUNE, 1978.

William Lyons Jr. President
James L. Sturgeon
Robert P. Stovall
Clare T. Deziel Commissioners

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

Application No. 57884

Exhibit No. _____

Witness _____

Date _____

Commissioner _____

ALJ _____

COM-BUS
ESTIMATED RESULTS OF OPERATIONS
RATE YEAR ENDING DECEMBER 31, 1978

Line	Reference	Item or Account Number	Description	Present Fares	Requested Fares
	(1)	(2)	(3)	(4)	(5)
1			Bus Miles	247,324	247,324
2			Passengers	169,487	169,487
			<u>Revenue</u>		
3		320	Passenger	\$245,333	\$270,881
			<u>Expenses</u>		
4		410	Maintenance	244	244
5		420	Transportation	3,401	3,401
6		440	Traffic	477	477
7		450	Insurance	3,084	3,084
8		460	Administration	14,202	14,202
9		500	Depreciation	3,410	3,410
10		520	Taxes	1,971	1,971
11		530	Rent	<u>228,451</u>	<u>228,451</u>
12	L 4 to L 11	400 & 500	Total Expenses	\$255,240	\$255,240
13	L 3 less L 12		Operating Income	\$- 9,907	\$ 15,641
14		800	Income Tax	\$ <u>200</u>	\$ <u>4,254</u>
15	L 13 less L 14		Net Income	\$-10,107	\$ 11,387
✓ 16	L 12+L 14) ÷ L 3		Operating Ratio - %	104.1	95.8