

WWH/FS

Decision No. 89646 NOV 9 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of:)
Airport Limousine Service of) Application No. 58285
Sunnyvale, for the Authority to) (Filed August 9, 1978)
Increase passenger stage fares.)

O P I N I O N

Airport Limousine Service of Sunnyvale, Inc., is a passenger stage corporation (PSC-899) operating between San Francisco International Airport, Oakland International Airport and San Jose Municipal Airport, on the one hand, and various communities in Santa Clara, San Mateo, Alameda and Contra Costa Counties, on the other hand.

The carrier is also authorized to conduct charter-party operations, pursuant to a charter permit (TCP-321-P).

Applicant requests authority to increase its passenger stage fares by 15 percent. The average fare for 1977 was \$11.99. The increase of 15 percent will raise the average fare to \$13.79.

Applicant alleges that its present fares do not yield sufficient revenue to allow it to conduct its passenger stage operations at a profit due to an increase in labor, maintenance and insurance costs, since the last fare increase.

Applicant's fares were last adjusted pursuant to authority granted by Decision No. 88554, signed March 7, 1978, in Application No. 57546.

Exhibit "E" attached to the application contains revenue and expense data for the historical year ended December 31, 1977, together with adjustments to reflect increased costs of operations. The exhibit discloses that during the historical year, applicant had a net operating income of \$22,648 and an operating ratio of 96.6 percent. Exhibit "E" shows that without the proposed fare

A. 58285 - FS

increase, the applicant would expect to sustain a loss of \$61,900 in net operating income for the 1979 rate year and an operating ratio of 102.0 percent.

With a 15 percent increase effective January 1, 1979, the passenger revenues on Exhibit "C" are projected to reach \$2,055,625, with expenses and taxes at approximately \$1,987,700, leaving \$67,925 net operating income, and an operating ratio of 96.7 percent, after income taxes, which is reasonable.

Notice of the filing of this application was listed in the Commission's Daily Calendar. Additionally, the Commission staff notified affected public transit operators and planning agencies of the receipt of this application, pursuant to California Public Utilities Code Sections 730.3 and 730.5. No protests or adverse comments have been received.

After consideration, the Commission finds that the requested increases are justified and a public hearing is not necessary. It is estimated that the granting of the fare increase will result in approximately \$268,125 additional revenue in the rate year.

O R D E R

IT IS ORDERED that:

1. Airport Limousine Service of Sunnyvale, Inc. is authorized to establish the increased passenger stage fares proposed in Application No. 58285. Tariff publications authorized to be made as a result of this order shall be filed not earlier than the effective date of this order and may be made effective not earlier than ten days after the effective date of this order on not less than ten 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.

A. 58285 - FS

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 ten days before the effective date of the fare changes and shall remain posted for a period of not less than thirty days.

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

Dated at San Francisco, California, this 9th day of NOVEMBER, 1978.

Robert Bateman
President

William Symons, Jr.

Yvonne L. Sturgeon

Charles D. Howell

Clare L. DePaul
Commissioners