

Decision No. 90024 : FEB 27 1979**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WHIPPET CHARTER SERVICE, INC., for)
 the Authority to Increase Weekly) Application No. 58236
 Fare, Toll and Charge to Passengers) (Filed July 18, 1978)

O P I N I O N

Whippet Charter Service, Inc. (Whippet) operates service as a passenger stage corporation (PSC-910) between Hayward, Union City, Newark, Fremont, Milpitas, and Dublin, on the one hand, and United Airlines Maintenance Base at the San Francisco International Airport, on the other hand. The service is of the "home-to-work" character, providing commute transportation between these residential neighborhoods and the United Airlines Maintenance Base. By this application, Whippet requests authority to increase by \$1.50 per week the following passenger stage fares:

<u>Between United Airlines Maintenance Base And</u>	<u>Present Weekly Fare</u>	<u>Proposed Weekly Fare</u>
Hayward Service Area	\$8.25	\$ 9.75
Union City " "	8.75	10.25
Newark " "	9.00	10.50
Fremont " "	9.00	10.50
Milpitas " "	9.50	11.00
Dublin " "	9.50	11.00

In support of this application, Whippet alleges that a rate increase is necessary to defray the unusual and extreme increase in operating costs. Whippet expects to operate at a loss during 1979 unless it is granted immediate relief. The increase in revenue with the proposed fares is estimated by the applicant to be \$30,816 annually.

The present fares were established by Decision 86587 dated November 2, 1976 in Application No. 56455.

A. 58236 VVB

The Transportation Division staff has made an engineering-economic study of the applicant's operation and has prepared a report on the estimated results of operations based on the future year ending December 31, 1979 under present and proposed fares. This study is based on data included in the application and additional necessary data supplied by the applicant to the staff on January 12, 1979. The study report is hereby received as Exhibit 1. The exhibit indicates the following results:

ESTIMATED RESULTS OF OPERATIONS
RATE YEAR ENDING DECEMBER 31, 1979

Item or Account Number:	Description	At Present Fares:	At Requested Fares:
(1)	(2)	(3)	(4)
	Bus Miles	371,300	371,300
320	<u>Revenue</u> Passenger	\$180,000	\$210,816
	<u>Expenses</u>		
410	Maintenance	\$ 27,600	\$ 27,600
420	Transportation	103,400	103,400
450	Insurance	23,800	23,800
460	Administration	14,600	14,600
500	Depreciation	5,300	5,300
520	Taxes	12,200	12,200
530	Rent	3,600	3,600
400&500	Total Operating Expenses	<u>\$190,500</u>	<u>\$190,500</u>
	Operating Income	\$-10,500	\$ 20,316
800	Income Tax	200	5,300
	Net Income	\$-10,700	\$ 15,016
	Operating Ratio -%	105.9	92.9

The applicant is presently operating at a loss. The fare increase authorized herein is an exception to the President's Guidelines for Wage and Price Increases. The proposed fares reflect an operating ratio of 92.9 percent and are reasonable in light of the guidelines and necessary to ensure the continued viability of this transportation service.

Copies of this application were served on interested parties and the application was listed in the Commission's Daily Calendar on July 20, 1978. Additionally, the Commission staff notified affected public transit operators and planning agencies of the filing of this application, pursuant to California Public Utilities Code Sections 730.3 and 730.5. No protests or comments have been received.

F I N D I N G S

After consideration, the Commission finds that:

1. The requested fare increase will result in additional annual revenue of \$30,816.
2. The proposed fare increase is justified.
3. A public hearing is not necessary.

The Commission concludes that the application shall be granted.

O R D E R

IT IS ORDERED that:

1. Whippet Charter Service, Inc. is authorized to establish the increased fares as set forth in the application. 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. This 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 changes and shall remain posted for a period of not less than thirty days.

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

Dated at San Francisco, California, this 27th
day of FEBRUARY, 1979.

John E. Boyer
President
Herbert L. Sturgeon
Richard D. Conkle
Clair T. Friedrich
James W. Smith
Commissioners