

Decision No. 90240 APR 24 1979

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application )  
of George Freed, doing business )  
as Calaveras Transit Company; )  
Authorization for an increase in )  
passenger fares and express rates, )  
Calaveras County. )

Application No. 58569  
(Filed December 29, 1978)

O P I N I O N

George Freed, doing business as Calaveras Transit Company, presently provides service as a passenger stage corporation (PSC-842) between Stockton and Lake Alpine and intermediate points. Calaveras operates one round trip daily (except Sundays and holidays), with scheduled on-call service only between Lake Alpine and Hathaway Pines.

In support of this application, applicant alleges that Calaveras has not had a fare or rate increase since 1975. He also alleges that Public Liability and Property Damage Insurance cost has increased 60 percent, and wages 40 percent since 1975. The increase in revenue resulting from the proposed rate increase of an average 30 percent was estimated by the applicant to be \$2,429 annually.

The present fares and rates were established by Decision No. 85154 dated November 18, 1975 in Application No. 55812.

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 a future year ending June 30, 1980 under present and proposed fares. The expense figures included in the application do not include the increase for fuel costs and drivers' wages and do not include any wages for the time the owners spend in driving, maintenance, general office work and bookkeeping. The staff estimate for the rate year provides for these additional expenses.

The following table summarizes the results of the staff's study:

ESTIMATED RESULTS OF OPERATIONS  
RATE YEAR ENDING JUNE 30, 1980

Item or Account	: At Present :	: At Requested :
: Number ; Description	: Fares :	: Fares :
Bus Miles	60,000	60,000
Passengers	2,200	2,100
<u>Revenue</u>		
320 Passenger	\$16,000	\$19,900
Express	13,000	16,100
Total Revenue	<u>\$29,000</u>	<u>\$36,000</u>
<u>Expenses</u>		
410 Maintenance	\$ 5,000	\$ 5,000
420 Transportation	16,600	16,600
430 Station	1,900	1,900
440 Traffic	1,000	1,000
450 Insurance	4,200	4,200
460 Administration	3,000	3,000
500 Depreciation	1,600	1,600
520 Taxes	1,100	1,100
400 & 500 Total Operating Expenses	<u>\$34,400</u>	<u>\$34,400</u>
Operating Income	\$-5,400	\$ 1,600
800 Income Tax	200	390
Net Income	<u>\$-5,600</u>	<u>\$ 1,210</u>
Operating Ratio -%	119.3	96.6

The applicant is presently operating at a loss. The proposed rates reflect an operating ratio of 96.6 percent and are reasonable in light of the President's Guidelines For Wage and Price Increases 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 December 7, 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 considerations, the Commission finds that:

1. The requested rate increases will result in additional annual revenue of \$7,000.
2. The proposed rate increases are justified.
3. A public hearing is not necessary.

The Commission concludes that the application should be granted.

#### O R D E R

IT IS ORDERED that:

1. George Freed, doing business as Calaveras Transit Company, is authorized to establish the increases proposed in Application No. 58569. 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 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 his buses and terminals a printed explanation of his fares. Such notices 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 24<sup>th</sup> day of APRIL, 1979.

John E. Byrne  
President

Henry L. Stevenson

Richard D. Farrell

Clair T. Wright

James H. King  
Commissioners