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Decision No. 9028G

MAY 8 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 WILLIAM H. HUNT, an individual doing)
 business as HUNT TRANSPORTATION, for)
 authority to increase fares for the)
 transportation of passengers on reg-)
 ular scheduled routes in Orange and)
 Los Angeles Counties under original)
 Application No. 57059, Decision No.)
 88159 dated 29 November 1977, PSC)
 1029; and Application No. A 57781)
 Decision No. 89735.)

Application No. 58733
 (Filed March 9, 1979)

O P I N I O N

William H. Hunt, an individual, doing business as Hunt Transportation, operates as a passenger stage corporation (PSC-1029) in home-to-work service between points in Orange County, on the one hand and the Hughes Aircraft facilities in El Segundo, on the other hand.

By this application, Hunt seeks to increase passenger fares by 27 percent.

The present fares were originally established by Decision No. 82675, dated April 2, 1974, in Application No. 54363.

Applicant alleges that his present fares do not yield sufficient revenue to allow him to conduct his passenger stage operations at a profit.

Applicant further alleges that additional revenue is required because of increased cost in all phases of operation, including fuel, insurance, labor and maintenance.

The estimated results of operations based on the future year ending June 30, 1980, under present and proposed fares ^{As} shown below:

<u>Item</u>	<u>Present Fares</u>	<u>Requested Fares</u>
Revenues	\$27,456	\$34,944
Expenses	28,432	29,432
Income Tax	200	1,433
Net Income	-1,176	4,079
Operating Ratio - %	104	88

The results of operation show that with the proposed 27 percent fare increase, the operating ratio of the passenger stage service would be 88 percent, with a net income of \$4,079.

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 88 percent and are reasonable in light of the guidelines and necessary to ensure the continued viability of this transportation service.

In accordance with Sections 730.3 and 730.5 of the Public Utilities Code, the State and local agencies operating or planning public transit systems were notified and asked for comments regarding the proposed rate increase. No objections were received.

Notice of filing of this application appeared in the Commission's Daily Calendar on March 9, 1979. No protests have been received.

After consideration the Commission finds that:

1. The requested fare increase would result in additional annual revenue of \$7,488.
2. The proposed fare increase is justified.
3. A public hearing is unnecessary.

O R D E R

IT IS ORDERED that:

1. William H. Hunt, dba Hunt Transportation, is authorized to establish the fare increase proposed in Application No. 58733. Tariff publications authorized to be made as a result of this order may be made effective not earlier than on 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.

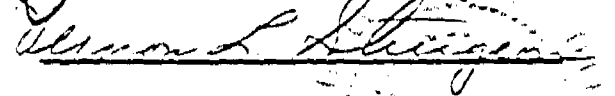
3. In addition to the required posting and filing of tariffs, applicant shall give notice to the public by posting in his buses and terminals, a printed explanation of his fares. Such notice shall be

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

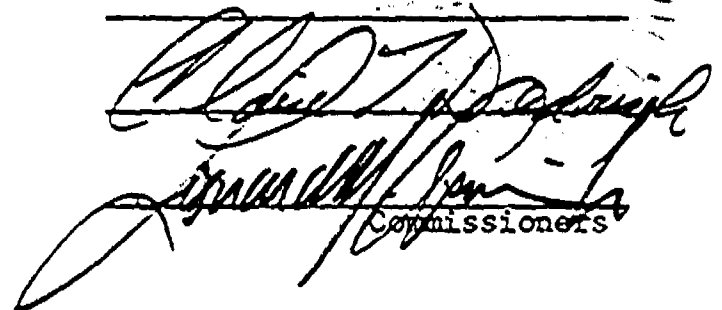
Since applicant is operating at a loss, the effective date of this order is the date hereof.

Dated at San Francisco, California, this 8th day of MAY, 1979.


President



Commissioner Richard D. Gravelle, being necessarily absent, did not participate in the disposition of this proceeding.


Commissioners