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Decision No. 90664 AUG 14 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application))	Application No. 58865		
of COMMUTER BUS LINES, INC.,				
for an emergency general rate)	(Filed May 14, 1979)
increase of \$82,900 per year.				

O P I N I O N

Douglas Bus Lines, Inc. (Douglas), doing business as Commuter Bus Lines, Inc., provides service as a passenger stage corporation (PSC-453). Douglas operates an extensive network of "home-to-work" bus services in the greater Los Angeles area, in the Sacramento area, and in the Livermore area. Douglas also operates "race-track" service in the Los Angeles area. By this application, Douglas seeks authority to increase fares on all its routes.

Douglas alleges that the proposed fare increase is necessary due to increased operating expenses, including increased costs for diesel fuel, maintenance, and tires. Douglas also alleges that equipment improvements have been necessary.

The present and proposed fares are shown in the following tables:

TABLE 1: PRESENT AND PROPOSED FARES FOR LOS ANGELES AREA ROUTES

Route Group	Destination	Route No.	Origin	Weekly Fare		% Incr.
				Present	Proposed	
01	Rockwell Space, Downey	1	Mission Viejo	\$13.50	\$16.00	18.52
			Irvine	13.50	15.25	12.96
		5	Canoga Park	13.50	16.00	18.52
			Riverside Blvd.	13.00	15.25	17.31
		7	East Anaheim	10.00	13.00	30.00
			Buena Park	9.00	11.75	30.56
10	McDonnell-Douglas, Long Beach	12	Mission Viejo	13.00	15.25	17.31
		14	Bristol	10.00	13.00	30.00
		16	Huntington Beach	9.25	12.25	32.43
			Seal Beach	8.50	11.75	38.24
		18	La Habra	10.00	13.00	30.00
			Buena Park	9.25	12.25	32.43
		19	Santa Monica	13.75	15.25	10.91
20	McDonnell-Douglas, Huntington Beach	(20)	Santa Monica	13.75	15.25	10.91
		(21)				
		(22)				
30	Rockwell Electronic Sys., East Anaheim	32	Southgate-Downey	10.75	13.00	20.93
			Norwalk-Artesia	10.00	13.00	30.00
		35	Seal Bch, Lng Bch, Lkwd	10.75	13.00	20.93
			Norwalk-Artesia	10.00	13.00	30.00
40	Rockwell L.A. Division, El Segundo	41	Buena Park	11.50	13.75	19.57
		42	East Anaheim	11.50	13.75	19.57
			Buena Park	11.50	13.75	19.57
		45	Huntington Beach	11.50	13.75	19.57
		46	Mission Viejo	15.25	16.75	9.84
			Irvine	12.25	14.50	18.37
			Costa Mesa	11.50	13.75	19.57
			Westminster	11.50	13.75	19.57
		47	Seal Beach	11.50	13.75	19.57
			Long Beach	10.75	13.00	20.93
		57	Buena Park	11.50	13.75	19.57
			Norwalk	10.75	13.00	20.93
60	General Telephone, Santa Monica	62	Pomona	12.50	15.25	22.00
			Covina-El Monte	12.00	14.50	20.83
		63-64	Huntington Beach	12.50	15.25	22.00
70	ITT Cammon, Santa Ana	76	Lincoln Heights	16.00	19.00	18.75
			Rosemead, Beverly	15.25	18.75	19.67
80	U.S.A.F. Space & Missile Orig. (SAMSO) Aerospace Corporation	82	Cypress, Los Alamitos	12.25	13.75	12.24
		83-85	Huntington Beach	13.00	14.50	11.54
		84	Bristol, Warner	13.00	14.50	11.54
100	Irvine Industrial Area	101	Riverside	14.00	16.00	14.29
			Corona	13.00	14.50	11.54
			Anaheim Hills, Orange	12.00	13.00	8.33

Fares for points not specifically named above shall be:

Route miles travelled:	0 - 25	\$ 13.00 per week
	26 - 30	13.75
	31 - 35	14.50
	36 - 40	15.25
	41 - 45	16.00
	46 - 50	16.75

TABLE 2: Route Groups 01-100 (Los Angeles Area), Table of Daily Fares:

<u>Where the weekly fare is:</u>	<u>Daily fare as a % of weekly fare:</u>	
	<u>Present 25%</u>	<u>Proposed 30%</u>
\$ 11.75	\$ 3.00	\$ 3.75
12.25	3.25	3.75
13.00	3.25	4.00
13.75	3.50	4.25
14.50	3.75	4.50
15.25	4.00	4.75
16.00	4.00	5.00
16.75	4.25	5.25
18.25	4.75	5.50
19.00	4.75	5.75

Present formula calls for daily fare to be 25% of weekly fare, rounded to the next higher multiple of 25¢. Proposed formula would call for daily fare to be 30% of weekly fare, rounded to next higher multiple of 25¢.

TABLE 3: Present and Proposed Fares For Route Group 300 - Sacramento Area, and Route Group 400 - Lawrence Livermore Laboratory:

<u>Weekly Fare</u>		<u>% Incr.</u>
<u>Present</u>	<u>Proposed</u>	
\$ 8.00	\$ 11.75	46.88
9.00	12.25	36.11
10.00	13.00	30.00
11.00	13.75	25.00
12.00	14.50	20.83
14.00	16.00	14.29
19.00	21.00	10.53
20.00	22.00	10.00

Amount of credit for days missed, in dollars and cents (not percent), to remain the same as at present.

Transportation Division engineering staff reviewed this application and the past study for Decision No. 89025 dated June 27, 1978 in Application No. 57929 which established the current fares. Table 4 below summarizes the results of this review. Column 2 of the table indicates the estimated results of operation from the past study for the rate year ending June 30, 1979. Columns 3 and 4 indicate the estimated results of operations for the future year ending June 30, 1980 under present and proposed fares. These estimated results are based upon information included in the application.

TABLE 4: Estimated Results of Operations

Items	Rate Year 1979 - 80		
	1978 - 79	Present Fares	Proposed Fares
(1)	(2)	(3)	(4)
Revenue	\$ 544,500	\$570,000	\$652,900
Expenses	594,950	676,400	715,800
Operating Income	-50,450	-106,400	-62,900
Income Taxes	200	200	200
Net Income	-50,650	-106,600	-63,100
Operating Ratio (%)	109.3	118.7	110.1

Notices of the application were served to interested parties, and the application was listed in the Commission's Daily Calendar on May 16, 1979. Additionally, the applicant posted notices of the application in its vehicles, and 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.

Applicant discussed the matter with the only user who submitted an adverse interest and nothing further has been expressed.

After consideration, the Commission finds that the increase in rates and charges authorized by this decision are justified and are reasonable. 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. However, the proposed fares are justifiable in light of the guidelines and necessary to ensure the continued viability of this transportation service. A public hearing on this application is not necessary. The application should be granted.

O R D E R

IT IS ORDERED that:

1. Douglas Bus Lines, Inc. doing business as Commuter Bus Lines, Inc., is authorized to establish the increased rates as requested. 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 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 his vehicles and terminals a printed explanation of 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.

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

Dated AUG 14 1979, at San Francisco, California.

John E. Byrne
President
William L. Stinson

Richard D. Gravelle
Samuel H. Quinn
Commissioners

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