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Decision No. 90730 AUG 28 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Orvelle L. Gilbert, dba,)
Airline Commute doing business)
as Airline Commute for authority)
to increase fares for the trans-)
portation of passengers on regular)
scheduled routes in Santa Clara)
and San Mateo Counties under)
original Application No. 56286,)
Decision No. 85717 dated April)
20, 1976, and Application No.)
56286 dated February 20, 1976,)
and PSC 994.)

Application No. 58963
(Filed June 13, 1979)

O P I N I O N

Applicant is a passenger stage corporation (PSC-994) operating between United Airlines Maintenance Base at the San Francisco International Airport, on the one hand, and the service area which includes the Cities of Santa Clara and Sunnyvale, on the other hand. Orvelle L. Gilbert, dba Airline Commute provides home-to-work service. The present fares were authorized by Decision 85717 dated April 20, 1976.

Applicant requests authority to increase passenger stage fares as follows:

Between
United Airlines Maintenance Base
at San Francisco International
Airport and

Sunnyvale
Santa Clara

Weekly Commute Fare
Present Proposed

\$10	\$13
10	13

In support of his request for a fare increase, applicant alleges that the cost of fuel, oil and insurance have increased since 1976.

The staff of the Transportation Division has made an analysis of the applicant's operations and submitted a report on the estimated results of operations based on the rate year ending September 1, 1980 under present and proposed rates. The report is hereby received as Exhibit 1. The staff study includes reasonable driver wage allowance in the transportation expense and shows that under the present fare structure during the rate year, the operating ratio of the commute service will be over 117 percent. The study shows that the request^{ed} \$3 per week fare increase will result in an operating ratio of 97.24 percent. The proposed fare increase would be approximately \$90 per week and over a year's time would amount to \$4,680. RM

The increase authorized herein is necessary to insure the continued viability of the transportation service and will compensate the rising costs of fuel and other expenses during 1979. Thus, the increase should be excepted from the President's guidelines for wage and price increases.

Copies of this application were served on interested parties and the application was listed in the Commission's Daily Calendar on June 29, 1979. Additionally, the Commission staff notified affected public transit operators and planning agencies of the filing of this application, pursuant to California Public Utilities Code Section 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 approximately \$4,680.
2. Since the applicant's fares were established it has experienced increases in operating expenses, the most significant being fuel.
3. The proposed fares set forth in this application are reasonable and therefore justified.
4. 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. Orvelle L. Gilbert, doing business as Airline Commute is authorized to establish the increased fares proposed in Application 58963. 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 operating vehicles a printed explanation of its 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 the carrier is presently operating at a loss, the effective date of this order is the date hereof.

Dated AUG 28 1979, at San Francisco, California.

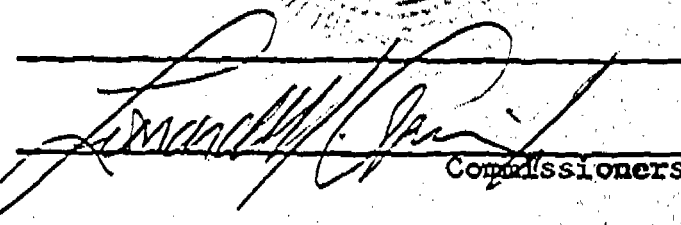
Commissioner Claire T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.



President



Commissioner



Commissioners