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ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of SFO AIRPORTER, INC., for)
authority to increase its passenger)
stage corporation fares, pursuant to)
Section 454 of the Public Utilities)
Code.)

Application No. 59076
(Filed August 17, 1979)

O R D E R

SFO Airporter, Inc. (SFO) is a passenger stage corporation engaged in the transportation of passengers, baggage and express between the San Francisco International Airport, on the one hand, and San Francisco, Oakland, Berkeley, Burlingame and various cities southerly therefrom to San Jose, on the other hand, and between San Jose Municipal Airport and the San Francisco International Airport and intermediate points.

By this application SFO seeks authority to increase its fares by 20 cents per passenger for all destinations served. Its principal revenues are derived from service between San Francisco International Airport and the City of San Francisco. The fare for this service would be increased from \$1.75 to \$1.95 for an estimated annual increase of \$426,000 additional gross passenger revenue.

Applicant's present fares were established pursuant to Decision No. 89868, dated January 16, 1979 in Application No. 58152. Prior to filing Application No. 58152 SFO's predecessors' fares had been adjusted pursuant to Decision No. 86496, dated October 13, 1976 in Application No. 55282. SFO in that proceeding was Airporttransit of California, doing business as Airporter, which was owned by Yellow Cab Company. Yellow Cab Company was declared bankrupt in a Federal Court and SFO subsequently acquired the Certificate of Public Convenience and Necessity. Decision No. 86496 provided for an operating ratio of 94.7 percent to be justified for this operation. SFO alleges that subsequent to the fare increase

granted by Decision No. 89868 the need for additional personnel and equipment has arisen due to the opening of the new North Terminal at San Francisco International Airport. Because of this additional expense SFO requests that the Commission authorize the requested fare increase in order to bring its operating ratio to that authorized in Decision No. 86496.

The Transportation Division staff has analyzed the information contained in SFO's application to determine the effect of the requested fare increase on the results of operation as adopted by the Commission in Decision No. 89868. The following are the results of this analysis:

Estimated Results of Operations

<u>Items</u> (1)	1980 Rate Year	1980 Rate Year
	<u>At Present Fares</u> (2)	<u>At Proposed Fares</u> (3)
Revenue	\$4,078,141	\$4,504,200
Expenses	4,051,470	4,086,100
Operating Income	26,671	418,100
Income Taxes	6,526	193,400
Net Income	20,145	224,700
Operating Ratio (%)	99.51	95.0

Notices of the application were served to interested parties, and the application was listed in the Commission's Daily Calendar on August 21, 1979. The Commission has notified the required parties pursuant to Sections 730.3 and 730.5 of the Public Utilities Code. No comments or protests have been received.

F I N D I N G S

After consideration the Commission finds that:

1. At present fares SFO would experience a profit of \$20,145 after income taxes at an operating ratio of 99.51 percent.
2. At proposed fares SFO would experience a profit of \$224,700 after income taxes at an operating ratio of 95.0 percent.

3. Decision No. 86496, dated October 13, 1976 provided for an operating ratio of 94.7 percent as being reasonable for Airporttransit, SFO Airporter, Inc.'s predecessor for the same service as at present.

4. A public hearing is not necessary.

The Commission concludes that the requested fares are just and reasonable and the application should be granted. The effective date of this order should be the date hereof.

O R D E R

IT IS ORDERED that:

1. SFO Airporter, Inc. is authorized to establish the increased fares requested in Application No. 59076. 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 its 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.

The effective date of this order is the date hereof.

Dated OCT 10 1979, at San Francisco, California.

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

John E. ...
President

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Richard D. ...

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Commissioners