

VVB*

Decision No. 90914

OCT 10 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Marin Airporter,)
 Inc., a California corporation, for))
 authority to increase passenger)
 fares from Novato, San Rafael,)
 Greenbrae and Sausalito to)
 San Francisco International)
 Airport.)

Application No. 59026
 (Filed July 27, 1979)

O P I N I O N

Marin Airporter, Inc. provides service as a passenger stage corporation (PSC 990) as defined in Section 226 of the Public Utilities Code of the State of California. The applicant is engaged in the business of transporting persons and their baggage between Novato, San Rafael, Greenbrae, and Sausalito, on the one hand, and San Francisco International Airport, on the other hand.

By this application, the carrier seeks authority to increase its one-way fares by \$1.00 between Novato, Greenbrae, Sausalito and the San Francisco International Airport. As shown in the application, the proposed fare increase will result in an additional annual revenue of \$42,300, or an increase of approximately 11.6 percent of the annual gross operating revenues.

The following shows Marin Airporter's present and proposed fares:

<u>Between</u>	<u>And</u>	<u>Present Fare</u>	<u>Proposed Fare</u>
San Francisco International Airport	Novato	\$10.00	\$11.00
" " "	San Rafael	9.00	9.00
" " "	Greenbrae	6.00	7.00
" " "	Sausalito	5.00	6.00

A. 59026 - VVB

Present fares were established by Decision No. 86251, dated August 17, 1976.

In support of the proposed fare increase, the applicant alleges as follows:

- a. For providing more efficient and comfortable service, the fleet of buses has been upgraded, resulting in an increased depreciation expense.
- b. The costs of insurance, equipment, and equipment maintenance have increased.
- c. Salaries, wages, and fuel costs have also increased.

The following table shows carrier's estimated results of operations for the rate year ending September 1, 1980 under both the present and proposed fares.

Item	Rate Year	
	Present Fare	Proposed Fare
Operating Revenue	\$365,200	\$407,500
Operating Expenses excluding taxes	328,800	328,800
Operating Income before taxes	36,400	78,700
Federal & State Taxes	2,700	18,900
Operating Income	33,700	59,800
Operating Expenses including taxes	331,500	347,700
Operating Ratios after taxes-%	90.8	85.3

The proposed fares, which will result in an operating ratio of 85.3 percent, shall be necessary to compensate for the rising cost of the fuel and other operating expenses, and to ensure the continue viability of the transportation service. Thus, the requested fare increase should be excepted from the President's guidelines for wage and price increase, and the application should be granted.

Copies of this application were served on interested parties, and notice of the filing was listed in the Commission's Daily Calendar. 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 have been received. A public hearing is not necessary.

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 \$42,300 or 11.6 percent of the gross annual operating revenues.
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 Application 59026 are 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. Marin Airporter, Inc. is authorized to establish the increased fares proposed in Application 59026. 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.

A. 59026 - FS

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 changes and shall remain posted for a period of not less than thirty days.

The effective date of this order shall be thirty days after the date hereof.

Dated OCT 10 1979, at San Francisco, California.

John E. Bryan
President

Vernon L. Sturgeon

Arthur D. Marshall

Lawrence J. Quinn
Commissioners

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