

Decision No. 91220 JAN 8 - 1980**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of GOODALL'S Charter Bus Service,
Inc., a California Corporation,
for the authority to increase fares
for the transportation of pass-
engers on regular scheduled home-
to-work routes between points in
San Diego County and the San
Onofre Nuclear Generating Station
in San Diego County.

Application No. 59104
(Filed August 27, 1979)

O P I N I O N

Goodall's Charter Bus Service, Inc. (Goodall's) is engaged in the operation of a Passenger Stage Corporation (PSC-1028) as defined in Section 226 of the Public Utilities Code of the State of California, transporting passengers between points in San Diego County and the San Onofre Nuclear Generating Station under authority of the Commission's Decision No. 88206, dated December 6, 1977, in Application No. 57171.

Goodall's requests authority to increase passenger fares by an average of 22.8 percent, as set forth in Exhibit F of the application.

In support of its application, the carrier alleges that since the present fares were authorized in Decision No. 88206, dated December 6, 1977, it has experienced large increases in operating expenses. Diesel fuel has risen from 46 cents per gallon to the current price of 90 cents per gallon or an increase of approximately 100 percent. Shop labor costs have increased from \$16.00 per hour to the current rate of \$24.00 per hour, an increase of 50 percent. Replacement parts have also increased up to 65 percent. The proposed increased rates are necessary to offset increases in the operating expenses.

Exhibits E and G of the application show the estimated results of operation for the six months ending December 31, 1979

under present and proposed fares respectively, which, when annualized, would result as follows:

<u>Item</u>	<u>Period</u>	
	<u>7-1-1979</u>	<u>to 6-30-1980</u>
	<u>Present Fares</u>	<u>Proposed Fares</u>
Operating Revenue	\$ 467,950	\$ 574,600
Operating Expenses excluding taxes	532,600	532,600
Operating Ratio before taxes %	113.8%	92.7%

The proposed increase in fares will result in an additional annual revenue of \$106,650 or 22.8 percent of the gross annual operating revenue.

The proposed fares are necessary to compensate for the rising costs of operation and to ensure the continuation of a needed transportation service. Thus, the requested fare increase should be excepted from the President's guidelines for wages and price increase, and the application should be granted.

Notice of this application appeared in the Commission's Daily Calendar. Additionally, the Commission staff notified affected public transit operators and planning agencies of the filing of the application, pursuant to California Public Utilities Code Sections 730.3 and 730.5. No protests have been received. A public hearing is not necessary.

It has come to our attention that the carrier has been charging increased fares without authorization from this Commission. Applicant is cautioned of the requirements of Section 454 of the Public Utilities Code which states in part "No Public Utility shall raise any rate or so alter any classification, contract, practice or rule as to result in any increase in any rate except upon a showing before the commission and a finding by the Commission that such increase is justified; ...". Applicant is warned that such an occurrence in the future will be subject to punitive action.

F I N D I N G S

After consideration, the Commission finds that:

1. Since the applicant's present rates were established, it has experienced increases in operating expenses, the most significant being fuel, salaries and wages, maintenance parts and labor.
2. Applicant will incur an annual operating loss of approximately \$65,000 under the present rates.
3. The requested fare increase will result in an additional annual revenue of approximately \$107,000 or 22.8 percent of the gross annual operating revenue.
4. The fare increase requested in Application No. 59104 is justified.
5. A public hearing is not necessary.

The Commission concludes that the application should be granted, and since the operation is being conducted at a loss, the effective date of the order should be the same date that the order is signed.

O R D E R

IT IS ORDERED that:

1. Goodall's Charter Bus Service, Inc. is authorized to establish the increased fares proposed in Application No. 59104. 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 changes and shall remain posted for a period of not less than thirty days.

The effective date of this order shall be the date hereof.

Dated JAN 8 - 1980, at San Francisco, California.

John E. Bryan
President

William P. Steyer

Richard D. Howell

Edward T. Daniels

Lionel W. Quinn
Commissioners