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Decision No. 91296 JAN 29 1980**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Ardella Cook an)
 individual, doing business as)
 DESERT STAGE LINES, for authority)
 to adjust its rates.)

Application No. 59112
 (Filed August 30, 1979)

O P I N I O N

Ardella Cook, an individual, doing business as Desert Stage Lines, is operating as a Passenger Stage Corporation (PSC-927) between Twentynine Palms Marine Corps Base on the one hand and Palm Springs, Los Angeles and San Diego on the other hand.

By this application, Ardella Cook seeks to increase her fares by approximately 10 percent.

The present fares were originally established by Decision No. 89825 in Application 58390, dated January, 1979.

Applicant alleges that her present fares do not yield sufficient revenue to allow her to conduct her passenger operations at a profit.

Applicant further alleges that additional revenue is required because of increased cost in all phases of operation, including fuel, insurance, labor and maintenance.

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 future year ending June 30, 1981 under present and proposed fares, which is summarized as follows:

<u>Item</u>	<u>Present Fares</u>	<u>Proposed Fares</u>
Revenue	\$170,842	\$187,293
Expenses	182,213	182,213
Income Tax	- 0 -	1,016
Net Income	-11,371	4,064
Operating Ratio-%	107	98

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The report is hereby received as Exhibit 1. The results of operation show that with the proposed 10 percent fare increase, the operating ratio of the passenger stage service would be 98 percent with a net income of \$4,064.

In accordance with Sections 730.3 and 730.5 of the Public Utilities Code, the State and Local agencies operating or planning public transit systems were notified and asked for comments regarding the proposed rate increases. No replies were received. The fare increase is within the President's Guidelines for Wage and Price increases.

Notice of filing of this application appeared in the Commission's Daily Calendar on August 30, 1979. No protests have been received.

After consideration the Commission finds that:

1. The requested fare increase of approximately 10% would result in additional annual revenue of \$16,451.
2. The proposed fare increase is justified.
3. A public hearing is unnecessary.

O R D E R

IT IS ORDERED that:

1. Ardella Cook, doing business as Desert Stage Lines, is authorized to establish the increased fare proposed in Application No. 59112. Tariff publications authorized to be made as a result of this order may be filed not earlier than the effective date of this order and made effective not earlier than on five days' notice to the Commission and to the public.

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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 her buses and terminals, a printed explanation of her 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.

Since applicant is operating at a loss the effective date of this order shall be the date hereof.

Dated JAN 20 1986, at San Francisco, California.

John E. Bryson
President
Wesley L. Stevenson
Robert D. Howell
Lawrence J. ...
Commissioners

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

Desert Stage Lines

January 2, 1980

Estimated Results of Operations for
Passenger Stage Service for Rate Year
Ending June 30, 1981

: Line:	: Reference	: Description	: Results of Operations			
			: Present	: Present	: Exist.	: Proposed:
: No.:			: 1978	: Est. 1979:	: Fares	: Fares :
1		Bus Miles (PSC)	151,973	151,973	151,973	151,973
2		Bus Miles (Charter)	34,081	34,081	34,081	34,081
3	<u>L.</u>					
	<u>L2&LI</u>	Allocation factor	0.82	0.82	0.82	0.82
4		Revenue (PSC)	\$170,842	\$170,842	\$170,842	\$187,293
		<u>Operating Exp. (Total Charter & PSC)</u>				
6		Equip. Main (total)	\$ 54,705	\$ 38,500	\$ 38,500	\$ 38,500
		<u>Transportation</u>				
7		Drivers Wages	\$50,230	\$66,230	\$ 66,230	\$ 66,230
8		Fuel	16,412	18,000	22,000	22,000
9		Oil	2,022	2,200	2,700	2,700
10		Oper. Taxes & Licenses	4,475	4,975	4,975	4,975
11		Other Trans.	2,209	2,000	2,100	2,100
		<u>Station Exp.</u>				
12		Supplies	\$ 242	\$ 500	\$ 500	\$ 500
13		Rent	6,195	7,314	7,314	7,314
14		Repairs	461	500	500	500
15		Utilities	1,200	1,400	1,680	1,680
16		Advertising	3,233	3,500	3,675	3,675
17		Insurance	25,405	26,870	28,213	28,213

		Results of Operations			
Line:		Present	Present	Exist.	Proposed:
No.:	Reference	1978	Est. 1979:	Fares	Fares:

(Continued)

Administration

18		Owners Wages	\$ 0	\$ 12,000	\$ 12,000	\$ 12,000
19		Office Wages	4,623	5,000	5,000	5,000
20		Professional fees	1,129	1,400	1,400	1,400
21		Office supplies	1,408	1,400	1,400	1,400
22		Permits	200	250	250	250
23		Auto	3,363	4,000	4,400	4,400
24		Telephone	2,430	3,000	3,300	3,300
25		Dues	59	75	75	75
26		Depreciation	15,380	16,000	16,000	16,000
27	L6 thru L26	Total Exp. (PSC & Charter)	\$195,381	\$210,119	\$222,212	\$222,212
28	L27 x L3	Total Exp. PSC	160,212	\$172,297	\$182,213	\$182,213
29	L4 - L28	Income PSC	10,630	\$ -1,455	\$ -11,371	\$ 5,080
30		Income Tax	2,125	\$ 0	\$ 0	\$ 1,016
31	(L28-L30)+L4	Operating Ratio,%	92	101	107	98