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Decision No. 91298 JAN 29 1980

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of VACA VALLEY BUS LINES, INC., for authority to increase its passenger stage corporation fares, pursuant to Section 454 of the Public Utilities Code.	}	Application No. 59122 (Filed September 5, 1979) Amended December 26, 1979
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O P I N I O N

Vaca Valley Bus Lines, Inc. (applicant) operates as a passenger stage corporation (PSC-296) transporting passenger between Vacaville and Travis Air Force Base and between Fairfield, Suisun and Travis Air Force Base. Applicant is also authorized to provide passenger stage service on an "on-call" basis between Travis Air Force Base and Park Air Force Base (Santa Rita Rehabilitation Center). Applicant also holds passenger stage authority to provide service between Travis Air Force Base and San Francisco International Airport and Oakland International Airport when Greyhound Lines' service is suspended due to a labor disputes. Other operations of applicant are conducted under a California Charter-party Carrier of Passenger Certificate TCP-35A and interstate authorities for charter operations.

By the instant application, applicant is requesting to increase the fares for passenger stage service between Vacaville, Fairfield, Suisun and Travis Air Force Base from the presently authorized \$.35 to \$.50. By amendment to the application filed December 26, 1979 applicant requests authority to increase the price for the 25-ride ticket from the current amount of \$6.00 to \$11.00

The Transportation Division of the Commission reviewed the data in the application, the annual report to the Commission and the operations of applicant.

Exhibit B attached to the application shows a projected results of operations for the service considered in this application for 1979, using 1978 as the base year. This indicates that the increase in fares is anticipated to produce \$5,742.15 in additional gross revenue. For the base year the revenue was \$13,398.35 and the expenses were \$39,521.26 resulting in a loss of \$26,123.11. For the projected year including the proposed fare adjustments the revenue is \$19,140.50 and the expenses are \$47,049.24 and the resulting loss is \$27,908.14.

Applicant claims that the local transit service has operated at a loss for several years and that the carrier as a whole has supported this loss. Applicant is prepared to continue operating this service at a loss but is using this application to offset a portion of the higher expenses by an increase in revenue.

The Transportation Division recommended that the application be granted ex parte if there is no protest to the application.

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 to comment regarding the proposed fare increase. In addition, notice of the filing of this application appeared on the Commission's Daily Calendar on September 7, 1979. No protest or request for public hearing has been received.

After consideration, the Commission finds that:

1. The requested fare increase will result in additional revenue of approximately \$5,742.
2. The proposed fare increase is justified. A public hearing is not necessary. We conclude that the application should be granted.
3. The proposed rate increase qualifies as an exception to the President's Guidelines for Wage and Price Increases inasmuch as it is reasonable and necessary in order to render this transportation service more viable.

IT IS ORDERED that:

1. Vaca Valley Bus Lines, Inc. is authorized to establish the increased fare as proposed in Application No. 59122 as amended. 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.

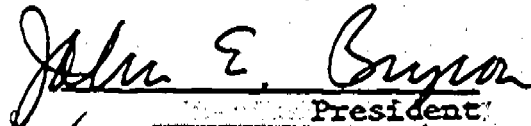
2. The authority shall expire unless exercised within ninety days after the effective date of this order.

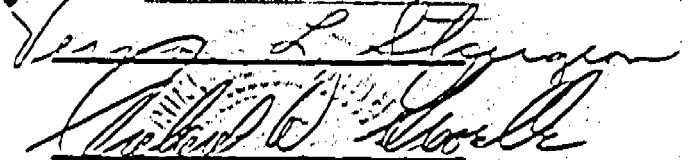
3. In addition to the required posting and filing of tariffs, applicant shall give notice to the public by posting in its buses and terminals a printed explanation of its fares. Such notice shall be posted not less than five days before the effective date of the fare changes and shall remain posted for a period of not less than thirty days.

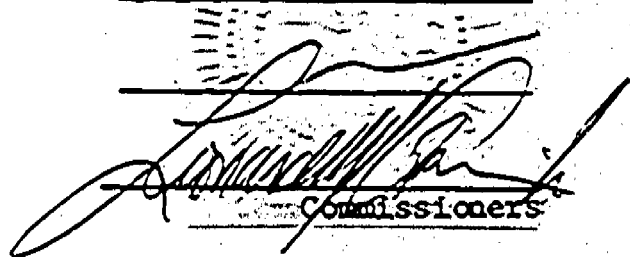
Since the carrier is operating at a loss, the effective date is the date hereof.

Dated JAN 29 1960 at San Francisco, California.

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


President


Commissioner


Commissioner