

FS

ORIGINALDecision No. 91453 MAR 18 1980

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Joseph R. Foster)
 to make passenger rate increases)
 necessary to maintain passenger,) Application No: 59298
 baggage, and express service) (Filed November 23, 1979)
 between Taft, California, and)
 Bakersfield, California.)

O P I N I O N

Applicant, Joseph R. Foster, an individual, doing business as Fosters Transportation Service, operates as a passenger stage corporation (PSC-7) to provide service between Bakersfield and Taft with service to and from intermediate points. Applicant's operating authority was granted by Decision 61620 dated March 7, 1961 in Application 43070.

At the present time, applicant operates two-round trips daily between Taft and Bakersfield, one-way distance of 39 miles, with no service on Saturday, Sunday or holidays. The present passenger fares and express rates were authorized by Decision 89826 dated January 4, 1979 in Application 58396.

By the instant application, applicant requests authority to increase fares by approximately 13 percent.

The following tabulation shows the present and proposed fares from Taft and Bakersfield to intermediate points:

To/From	Bakersfield			Taft		
	Present Fare	Proposed Fare	Percent Increase	Present Fare	Proposed Fare	Percent Increase
Taft	\$2.35	\$2.65	12.8%	-	-	-
Valley Acres	2.00	2.25	12.5	\$0.60	\$0.70	16.7%
Old River	.95	1.10	15.8	1.50	1.70	13.3
Panama	.80	.90	12.5	1.65	1.85	12.1
Pumpkin Center	.70	.80	14.3	1.70	1.95	13.3
Valley Plaza	N.S.	N.S.	-	2.25	2.55	13.3
Bakersfield	-	-	-	2.35	2.65	12.8

N.S. - No service.

A. 59298 - FS

Fares between intermediate points are also to be increased by 13 percent rounded to the nearest five cents. No increase in express rates is requested.

Included in the application is a statement of Income and Expenses covering the first eight months of 1979. This statement when annualized would indicate revenues of \$18,427 and Expenses of \$17,719 for Net Profit of \$708. The expenses do not include any payment to the owner for supervision and management services or any provision for depreciation expense. If provision for these normal expenses were to be included, a loss would occur even at the proposed fares.

From the data included in the application, the Commission staff has computed that the increase in fares will result in additional revenue of \$750 annually. The staff has also determined that at the present fares, the operating ratio will be approximately 96.2 percent and at the proposed fares should result in an operating ratio of 92.4 percent.

Applicant claims that the increase in fares should be granted expeditiously because the increases in the cost of fuel, wages and other operating costs will cause the applicant to operate at a much lower profit ratio.

Notice of the filing of this application was listed in the Commission's Daily Calendar on November 27, 1979. Additionally, SS the Commission staff notified the ^{affected} affected public transit operators and the planning agencies of the receipt of this application pursuant to California Public Utilities Code Sections 730.3 and 730.5. No protest to the granting of the application has been received.

After consideration, the Commission finds that the increase in fares authorized by this decision are justified and reasonable. The proposed fares qualify for an exemption under the President's Guidelines for Wage and Price Increases since they are necessary to ensure the continued viability of this transportation service. A public hearing on the application is not necessary.

The Commission also finds that the effective date should be the date of signing because there is no known opposition to the application and the carrier appears to be operating at a loss when all appropriate expense are considered.

O R D E R

IT IS ORDERED that:

1. Joseph R. Foster, doing business as Fosters Transportation System, is authorized to established the increased fare as requested ^{SS} in the application. 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 or not earlier than five days' notice 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 his vehicles and terminals a printed explanation of the 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.

For reasons outlined in the findings, the effective date of this order shall be the date hereof.

Dated MAR 16 1980, at San Francisco, California.

John E. Bryan

President
William L. White

Michael W. Howell

James L. ...

Commissioners

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