

Decision No. 91460 MAR 18 1980

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of Application )  
of Ready Tour Corp., for the ) Application No. 59277  
authority to increase commuter ) (Filed November 16, 1979)  
passenger rates. )

O P I N I O N

Ready-Tour Corporation (applicant) is engaged in the operation of a Passenger Stage Corporation (PSC 1088) as defined in Section 226 of the Public Utilities Code of the State of California, transporting passengers between the City of Napa Corporate limits and within a radius of two miles of said Corporate limits, on the one hand, and the Mare Island Naval Shipyard, on the other hand, and intermediate points along State Highway 29 south to Napa Junction.

Applicant requests authority to increase its present weekly round trip fares from \$4.50 per person to \$6.00 per person, or an increase of approximately 33 percent.

The present fares were authorized by the Commission in Decision No. 82951, dated June 5, 1974.

Applicant alleges that the requested increase in fares is necessary to offset the increased operating expenses, such as increases in cost of fuel, maintenance parts and labor.

Based on the information contained in the application, and the Transportation Division staff's inclusion of \$400 per month to the owner for his supervision and management services, the following table shows an estimated results of operation for the test year ending December 31, 1980, under both present and proposed fares.

	<u>Calendar Year 1980</u>	
	<u>Present</u>	<u>Proposed</u>
	<u>Fares</u>	<u>Fares</u>
Operating Revenue	\$18,400	\$23,000
Operating Expenses excluding taxes	22,600	22,600
Income before taxes	(4,200)	400
Operating Ratio before taxes %	122.8%	98.3%

The proposed increase in fares will result in an additional annual gross revenue of \$4,600 which will be necessary to compensate for the rising costs of operation.

It has been nearly six years since applicant last received a fare increase. The requested 33 percent fare increase represents an average of 5.5 percent increase per year.

The proposed fares comply with the President's Guidelines for Wage and Price Increases and are necessary to ensure the continued viability of this transportation service.

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.

Findings

After consideration, the Commission finds that:

1. Since the applicant's present rates were established, June 5, 1974, it has experienced increases in operating expenses, the most significant being fuel, salaries and wages, insurance, maintenance, parts and labor.
2. The requested fare increase will result in an additional annual gross revenue of approximately \$4,600.
3. The fare increase requested in Application No. 59277 is justified.
4. A public hearing is not necessary.

The Commission concludes that the application should be granted.

O R D E R

IT IS ORDERED that:

1. Ready-Tour Corporation is authorized to establish the increased fares proposed in Application No. 59277. Tariff publications authorized to be made as a result of this order may be made


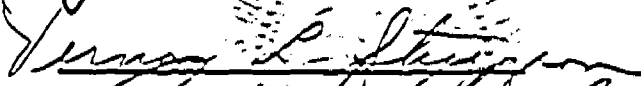


effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and to the public.

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.

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

Dated MAR 18 1980 at San Francisco, California.

  
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President  
  
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Commissioners

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