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Decision No. 91604 . APR 15 1980

ORIGINAL
 BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of:)	
Airport Limousine Service of)	Application No. 59147
Sunnyvale, for the Authority to)	(Filed September 19, 1979)
Increase passenger stage fares.)	

O P I N I O N

Airport Limousine Service of Sunnyvale is a passenger stage corporation (PSC-899) operating between San Francisco International Airport, Oakland International Airport and San Jose Municipal Airport, on the one hand, and various communities in Santa Clara, San Mateo, Alameda and Contra Costa Counties, on the other hand.

The carrier is also authorized to conduct charter-party operations, pursuant to a charter permit (TCP-321-P).

Applicant requests authority to increase its passenger stage fares by 12 percent across the board.

Applicant alleges that the proposed fare increase is necessary to compensate for the increases in its costs of operations.

Applicant's fares were last adjusted pursuant to authority granted by Decision 90726, signed August 28, 1979 in Application 58812.

The staff of the Transportation Division has made an estimated results of operation based on the rate year ending June 30, 1981 under both present and proposed fares. The staff's study shows that the Carrier's operation under the present fare structure will result in an operating ratio of 103.8 percent, with a net operating loss of \$101,000 before taxes. The study also shows that the requested 12 percent fare increase will result in an operating ratio of 96.6 percent, with a net operating income of \$102,000 before taxes. The fare increase herein sought will result in an annual gross revenue increase of approximately \$287,000.

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The following table shows a summary of the staff's results of operation study:

<u>Items</u>	<u>Rate Year Ending June 30, 1981</u>	
	<u>Present Fares</u>	<u>Proposed Fares</u>
Revenues	\$2,683,000	\$2,970,000
Expenses	2,784,000	2,868,000
Operating Income (Loss) Before Taxes	(101,000)	102,000
Operating Ratio Before Taxes- %	103.8	96.6

The proposed rates qualify for an exemption under the President's Guidelines for Wage and Price Increase since they are necessary to insure the continued viability of this transportation service.

Notice of the filing of this application was listed in the Commission's Daily Calendar. Additionally, the Commission staff notified affected public transit operators and planning agencies of the receipt of this application, pursuant to California Public Utilities Code Sections 730.3 and 730.5. No protests or adverse comments have been received.

Findings

After consideration, the Commission finds that:

1. Since the applicant's present rates were established, August 28, 1979, it has experienced increases in operating expenses, the most significant being fuel, maintenance parts and labor, and insurance.
2. The requested fare increase will result in an additional annual gross revenue of approximately \$287,000.
3. The proposed fares are necessary to compensate for the rising costs of operation.
4. The fare increase requested in Application 59147 is justified.
5. No protests have been received concerning this application.
6. A public hearing is not necessary.

The Commission concludes that the application should be granted.

O R D E R

1. Airport Limousine Service of Sunnyvale is authorized to establish the increased passenger stage fares proposed in Application 59147. 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 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. 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 ten days before the effective date of the fare changes and shall remain posted for a period of not less than thirty days.

Since there is an immediate need for the relief sought, the effective date of this order shall be the date hereof.

Dated APR 15 1980, at San Francisco, California

President

James L. Stinson

Richard D. Howell

Alvin J. ...

Samuel J. ...
Commissioners

Commissioner John E. Dixon,
being necessarily absent, did
not participate.