

ORIGINAL

Decision No. 92089 JUL 29 1980

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of: LORRIE'S TRAVEL & TOURS, INC., )  
for authority to increase its per )  
capita rates pursuant to Section )  
454 of the Public Utilities Code )  
in connection with the transporta- )  
tion of passengers on one-way )  
trips between San Francisco hotels )  
and the San Francisco Inter- )  
national Airport. )

Application No. 59705  
(Filed June 2, 1980)

OPINION

Lorrie's Travel & Tours, Inc., a California corporation, provides service as a Passenger Stage Corporation (PSC-1003) between various hotels and motels in San Francisco and the San Francisco International Airport (SFO). In this application, Lorrie's Travel & Tours, Inc. (LT&T) seeks authority to increase its fares as shown below:

Its past, present, and proposed fares are as shown:

<u>Decision or Application</u>	<u>Date</u>	<u>Adult</u>	<u>Child</u>
D. 86121	July 19, 1976	\$4.00	\$2.00
D. 88345	January 17, 1978	4.50	2.50
A. 59705	June 2, 1980	5.50	3.00

Notice of its application for an interim increase has been given to the counsels and the clerks of both the City and County of San Francisco, to the County Attorney of San Mateo County, and to the Airport Commission of SFO.

Lorrie's Travel & Tours, Inc. claims an operating ratio of 122.4 for the historical year ending February 29, 1980 as a result of increased expenses and reductions in demand caused by a drop-off of 18% in one year in the number of passengers using SFO and a drop-off of 15 to 20% in the number of registrants at San Francisco hotels. It forecasts a continuing lower demand and an operating ratio of 113.0 for the rate year ending May 31, 1981, without the proposed rate increase and an operating ratio of 96.0, if the rate increase is granted. The rate increase will result in an annual revenue increase of \$177,759.

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.

No protests have been received by the Commission against the proposed increases.

### F I N D I N G S

After consideration, the Commission finds that:

Since the applicant's present rates were established on January 17, 1978, the applicant has experienced increases in operating expenses.

The fare increase requested will result in additional annual gross revenue of about \$178,000.

The requested fare increase is needed to compensate Lorrie's Travel & Tour for the rising expenses of operating and to enable it to avoid having to operate at a loss.

No protests have been received concerning this application. A public hearing is not necessary.

The Commission concludes that the fare increases sought are justified and should be granted.

O R D E R

IT IS ORDERED that:

1. Lorrie's Travel & Tours, Inc. is authorized to increase its adult fare to \$5.50 and its child's fare to \$3.00. Tariff changes 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 with not less than five days' notice to the Commission and to the public.
2. The authority shall expire unless exercised within 90 days after the effective date of this order.
3. In addition to the required posting and filing of tariffs, the applicant shall give notice to the public by posting in its vehicles and terminals a printed explanation of its fares. Such notice shall be posted at least five days before the effective date of the fare changes and shall remain posted for a period of not fewer than 30 days.

In order to avoid the hardship caused by delay, the effective date of this order is the date hereof.

Dated JUL 29 1980, at San Francisco, California.

John E. Byron  
President

Vernon L. Sturgeon

Richard V. Howell

Frank W. Smith

Clare T. Deibel  
Commissioners