

Decision No. 92286 OCT 8 1980

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of FRED E. RUSS and)
ROBERT E. OURS, d/b/a/ CELEBRITY)
TOURS OF PALM SPRINGS for)
authority to increase passenger)
fares for authorized tour routes.)

ORIGINAL

Application No. 59804
(Filed July 10, 1980)

O P I N I O N

Fred E. Russ and Robert E. Ours, doing business as Celebrity Tours of Palm Springs, presently operate as a passenger stage corporation (PSC-324), transporting passengers in a sightseeing service on six tours in the Palm Springs area.

On June 6, 1980, applicant adopted the tariffs and timetables of its predecessor, Ruth O. Evans, doing business as Tramway Transportation and Tours, in accordance with Commission Decision 91783, dated May 6, 1980, in Application 59506.

Applicant seeks authority to increase the fares of its tours as follows:

<u>Tour Number</u>	<u>Current Fare</u>	<u>Proposed Fare</u>
1	\$ 4.00	\$ 6.00
2	5.50	8.00
3	7.00	10.00
4	10.00	18.00
5	3.00	6.00
6	17.00	25.00

The fares sought to be increased by this application were originally established by the Commission on its Decisions 85242 and 85765, dated December 16, 1975 and May 4, 1976 respectively. Since these fares were established, applicant states that it has experienced substantial increases in operating expenses. In particular, applicant notes that cost of fuel has increased approximately 100% since December, 1975.

Applicant's projection of revenues and expenses for the rate year ending June 30, 1981 indicates an estimated annual increase in revenues of \$23,600. A summary of applicant's projections is as follows:

	<u>Present Fares</u>	<u>Proposed Fares</u>
Total Revenue	\$ 51,009	\$ 74,616
Total Operating Expenses	\$ 67,477	\$ 67,477
Operating Income (Before Taxes)	-\$ 16,468	\$ 7,139
Operating Ratio (Before Taxes)	132.37	90.4%

Notice of filing of this application appeared in the Commission's Daily Calendar on July 16, 1980. No protests have been received.

The increase authorized herein is necessary to insure the continuation of this transportation service, and thus should be exempted from the President's Guidelines for Wage and Price Stability.

Findings of Fact

1. Since the present fares were established in 1976, the applicant has experienced increases in operating expenses.
2. The proposed fare and rate increases will result in an estimated annual increase in revenues of \$23,600 and an operating ratio of 90.4 percent.
3. A public hearing is not necessary.

Conclusions of Law

The increased rates authorized by the following order are just, reasonable, and nondiscriminatory.

O R D E R

IT IS ORDERED that:

1. Fred E. Russ and Robert E. Ours, doing business as, Celebrity Tours of Palm Springs, are authorized to establish the increased passenger fares proposed in Application No. 59804. 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 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 passenger fares.

Such notice shall be posted not less than five days before the effective date of the passenger fare changes and shall remain posted for a period of not less than thirty days.

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

Dated OCT 8 1980, at San Francisco, California.

John E. Bryan
President
Vernon L. Sturgeon
Richard D. Howell
Francis W. Jenkins
Commissioners

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