

Decision No.

92601

JAN 6 1981

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 YUBA-SUTTER AIRPORTER for authority)
 to increase its passenger stage)
 corporation fares, pursuant to)
 Section 454 of the Public Utilities)
 Code.)

Application No. 59783
 (Filed June 30, 1980)

O P I N I O N

Yuba-Sutter Airporter, (applicant) is a passenger stage corporation (PSC-1058) operating between Marysville, Yuba City, Live Oaks, Sutter, Wheatland, and Beale Air Force Base, on the one hand, and Sacramento Metropolitan Airport, on the other hand. Applicant is also authorized to conduct charter-party operations, pursuant to a charter-party permit (TCP-1419-P).

Applicant hereby requests authority to increase each of its present one-way passenger fares by \$2.00 to offset the increased costs of operation.

Discussion

Applicant's present fares were authorized by Decision No. 89789, dated December 19, 1978, in Application No. 58065. The following table shows applicant's present one-way fares:

<u>Between Sacramento Metropolitan Airport and:</u>	<u>One-Way Fares</u>		
	<u>Single</u>	<u>Family</u>	<u>Group</u>
Marysville, Yuba City	\$10.00	\$15.00	\$ 6.00
Wheatland	12.00	18.00	8.50
Live Oaks, Sutter	13.00	19.50	9.50
Beale Air Force Base	15.00	22.00	10.00

Applicant alleges that the present fares were established based on the 1978 costs of operations. Since that time, both direct and indirect costs have been increasing steadily, and unless the requested fare increase is granted, the service will be adversely affected by the increased inflation.

Based on the information contained in the application and the additional information received from applicant on November 6, 1980, the following table shows a summary of the Transportation Division staff's estimated results of operations for the test year ending December 31, 1981, under both the present and proposed fares:

<u>Items</u>	<u>Rate Year Ending December 31, 1981</u>	
	<u>Present Fares</u>	<u>Proposed Fares</u>
Revenues	\$42,000	\$48,400
Expenses	41,900	41,900
Operating Income (Loss)		
Before Income Taxes	100	6,500
Operating Ratio Before		
Income Taxes - %	99.8%	86.6%

As indicated by the above table, applicant's operations in the test year ending December 31, 1981 under its present fares will be at the break-even point, with an annual gross revenue of \$42,000, operating expenses of \$41,900, and an operating ratio of 99.8 percent. The proposed fares will result in an annual gross revenue of \$48,400, an annual gross revenue increase of approximately 15 percent or \$6,400, with an operating ratio of 86.6 percent before income taxes.

Applicant has not received any increases in its fares since December 1978. Therefore, the proposed fares comply with the President's Guidelines for Wage and Price Stability and are necessary to ensure the continued viability of this transportation service.

Notice of the filing of this application was listed on the Commission's Daily Calendar. Additionally, the Commission staff notified affected public transit district operators of the receipt of this application pursuant to California Public Utilities Code Sections 730.3 and 730.5. No protests have been received, and a public hearing is not necessary.

Findings of Fact

1. Applicant seeks authority to increase its one-way passenger fares by \$2.00.
2. Applicant's present fares were authorized by Decision No. 89789, dated December 19, 1978.
3. Applicant's operation in the test year ending December 31, 1981, will be at the break-even point at the present fares.
4. The requested fare increase will result in an additional annual gross revenue of \$6,400, with an operating ratio of 86.6 percent before income taxes.
5. An 86.6 percent operating ratio before income taxes for this carrier is reasonable to grant the requested fare increase.
6. The requested fares are necessary to offset the increases in operating costs, and to ensure applicant's viability.

7. The fare increase requested in Application No. 59783 is justified.

8. No protests have been received concerning this application, and a public hearing is not necessary.

9. Since applicant's operations under the present fares are at the break-even point, the effective date of this order should be the date hereof.

Conclusion of Law

The fare increase, requested in Application No. 59783, is just and reasonable and should be granted.

O R D E R

IT IS ORDERED that:

1. Yuba-Sutter Airporter is hereby authorized to establish the increased fares as proposed in Application No. 59783, filed June 30, 1980. Tariff publications 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 on not less than five 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, Yuba-Sutter Airporter 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.

The effective date of this order is the date hereof.

Dated JAN 6 1981, at San Francisco, California.

John E. Guyson
President
Richard W. Gould
Samuel W. Prineas

Commissioners