

92880

APR 7 1981

ORIGINAL

Decision No. \_\_\_\_\_

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of Richard E. Parks, dba Parkway )  
Stage for authority to increase )  
fares for the transportation of )  
passengers on regular scheduled )  
routes in the cities of Vacaville, )  
Fairfield, Vallejo, Pinole and )  
Napa under original Application )  
No. 58170, Decision No. 89890, )  
dated January 16, 1979, and )  
Application No. 58170, dated )  
June 26, 1978, Amended )  
November 13, 1978, and PSC 1059, )  
and Application No. 59121, )  
Decision No. 91297, dated )  
August 27, 1979, and Application )  
No. 59436, Decision No. 91413, )  
dated April 14, 1980. )

Application No. 59892  
(Filed August 19, 1980)

O P I N I O N

Richard E. Parks, an individual, doing business as Parkway Stage, is operating as a passenger stage corporation (PSC-1059) in home-to-work service between Vacaville, Fairfield, Vallejo, Pinole and Napa, on the one hand, and the United Airlines Maintenance Base at the San Francisco International Airport, on the other hand.

By this application Richard E. Parks seeks to increase his passenger fares by approximately 21 percent.

The present fares were originally established by Decision No. 91297 in Application No. 59121, dated Feb. 20, 1980.

Applicant alleges that additional revenue is required because of increased cost in all phases of operation, including fuel, insurance, labor and maintenance.

The staff of the Transportation Division has made an engineering economics analysis of applicant's operations and submitted a report on the estimated results of operations based on the future year ending December 31, 1981 under present and proposed fares, which is summarized as follows:

<u>Item</u>	<u>Present Fares</u>	<u>Proposed Fares</u>
Revenue	\$126,900	\$147,750
Expenses	125,100	125,100
Operating Income	1,800	22,650
Income Tax	450	5,660
Net Income	1,350	16,990
Operating Ratio	99%	89%

The report is hereby received as Exhibit 1. The results of operations show that with the proposed 21 percent increase, the operating ratio of the passenger stage service would be 89 percent with a net income of \$16,990.

In accordance with Sections 730.3 and 730.5 of the Public Utilities Code, public agencies operating or planning public transit systems were notified and asked for comments regarding the proposed rate increases. No replies were received.

Notice of filing of this application appeared in the Commission's Daily Calendar of August 22, 1980. No protests have been received.

A. 59892 T/TEE/afm \*

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Findings of Fact

- 1. The requested fare increase of approximately 21 percent would result in an additional annual revenue of \$20,850.
- 2. Applicant's operating costs have increased in almost all expense categories.
- 3. The proposed fair increase is justified.

Conclusions of Law

- 1. The proposed fare increase is just and reasonable.
- 2. A public hearing is unnecessary, and since there is <sup>a</sup>~~no~~ demonstrated need for rate relief the following order should be effective the date of signature.

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O R D E R

IT IS ORDERED that:

- 1. Richard E. Parks, doing business as Parkway Stage, is authorized to establish the increased fares proposed in Application No. 59892. 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.

A. 59892 T/TEE/afm \*

3. In addition to the required postings and filing of tariffs, applicant shall give notice to the public by posting in his buses and terminals, a printed explanation of his 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 APR 7 1981, at San Francisco,  
California.

John E. Byron  
President  
Richard B. Hinkle  
Leonard W. Jones  
Victor Castro  
Priscilla C. Lewis  
Commissioners

RICHARD E. PARKS  
Doing Business As  
PARKWAY STAGEESTIMATED RESULTS OF OPERATIONS FOR PASSENGER STAGE SERVICE  
FOR TEST YEAR ENDING DECEMBER 31, 1981

:Line:	Reference	No.	Description	RESULTS OF OPERATIONS		
				1979	Test Year Ending	December 31, 1981
	(1)	(2)	(3)	(4)	(5)	(6)
1			Bus Miles	162,600	162,600	162,600
			<u>Revenue</u>			
2		3200	Passenger PSC	\$ 96,900	\$ 96,900	\$117,750
3		3900	Other (Lease)	30,000	30,000	30,000
4	L2+L3		Total Revenue	\$126,900	\$126,900	\$147,750
			<u>Expenses</u>			
5		4100	Maintenance	\$ 26,000	\$ 30,000	\$ 30,000
6		4220	Driver Wages	26,000	30,000	30,000
7		4230	Fuel	18,600	26,000	26,000
8		4240	Oil	2,500	4,000	4,000
9		4500	Insurance	6,000	9,000	9,000
10		4600	Administration	8,100	15,700	15,700
11		5000	Depreciation	3,900	3,900	3,900
12		5200	Taxi and License	4,500	5,900	5,900
13		5300	Rents	300	600	600
14	L4 through L12		Total Expenses	\$ 95,900	\$125,100	\$125,100
15			Net Income before			
			Income tax	\$ 31,000	\$ 1,800	\$ 22,650
16		8000	Income tax	\$ 7,750	\$ 450	\$ 5,660
17			Net Income after			
			Income tax	\$ 23,250	\$ 1,350	\$ 16,990
18	(L14+L15)+L4		Operating Ratio			
			- %	82%	99%	89%