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93296

Decision

JUL 7 1981

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 Government Services Inc., a District
 of Columbia Corporation, for the
 authority to increase fares for the
 transportation of passengers on
 passenger stage, sightseeing tour
 service, baggage and express between
 Fresno and Kings Canyon and Sequoia
 National Parks and to change the
 present rules and regulations to
 increase the service route on the
 passenger stage authority.

Application 60213
 (Filed January 23, 1981)

O P I N I O N

Government Services Inc. is operating as a passenger stage corporation (PSC-913) between Fresno and Sequoia National Park and intermediate points and between Sequoia National Park and Kings Canyon National Park.

By this application Government Services, Inc. seeks to increase its passenger fares by approximately 17%. In addition applicant requests that the service restriction between Fresno and Grant Grove Village be amended.

The present fares were originally established by Decision (D.) 87558 dated July 5, 1977.

Applicant alleges that its present fares do not yield sufficient revenue to cover the expenses of operating this passenger stage service.

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

The Transportation Division staff has made an engineering economics study under present and proposed fares, which is summarized as follows:

Government Services, Inc.
Passenger Stage Services

| <u>Item</u> | <u>Test Year Ending 6/30/82</u> | |
|------------------|---------------------------------|-----------------------|
| | <u>Present Fares</u> | <u>Proposed Fares</u> |
| Revenue | 28,963 | 33,895 |
| Expenses | 39,869 | 39,869 |
| Operating Income | (10,906) | (5,974) |
| Income Tax | (200) | (200) |
| Net Income | (11,106) | (6,174) |
| Operating Ratio | 138% | 118% |

(Red Figure)

The report is received as Exhibit 1. The results of operations show that with the proposed 17% increase, the operating ratio of the passenger stage service would be 118% with a net loss of \$6,174.

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

Original Page 4 of applicant's certificate contains the following restriction:

(6) No passenger shall be carried to or from Fresno and Grant Grove Village or intermediate point, who has not purchased transportation to or from some point in either Sequoia National Park, Kings Canyon National Park or Stoney Creek Village, Sequoia National Forest.

Applicant requests that the restriction be amended to read:

(6) No passenger shall be carried to or from Fresno and Squaw Valley

or any intermediate point who has not purchased transportation to or from some point in or east of Squaw Valley.

Applicant feels that by extending its service it will be able to increase ridership and provide transit service to additional rural communities to and from Fresno. No certificate of public convenience and necessity exists for the proposed extension.

Notice of filing of this application appeared in the Commission's Daily Calendar of January 23, 1981. No protests have been received.

Findings of Fact

1. The requested fare increase of approximately 17% would result in an additional annual revenue of \$4,932.
2. Public convenience and necessity require the proposed extension of service.
3. The applicant has the ability, equipment and financial resources to perform the proposed service.
4. The proposed fares for the extension of service are reasonable.
5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusions of Law

1. The proposed fare increase is justified.
2. Public convenience and necessity require the extension of service.
3. A public hearing is not necessary, and since there is a demonstrated need for rate relief the following order should be effective the date of signature.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Government Services Inc., authorizing it to extend its operations as a passenger stage corporation, as defined in PU Code 226, between points and over the routes set forth in First Revised Page 4 of Appendix A of D.83787.

2. Government Services Inc., is authorized to establish the increased rates proposed in Application 60213.

3. Applicant shall:

a. File a written acceptance of this certificate within 30 days after this order is effective.

b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.

c. State in its tariffs and timetables when service will start; allow at least 10 days' notice to the Commission and make timetables and tariffs effective 10 or more days after this order is effective.

d. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol safety rules.

e. Maintain accounting records in conformity with the Uniform System of Accounts.

4. The authority to increase fares shall expire unless exercised within 90 days after the effective date of this order.

5. In addition to posting and filing tariffs, applicant shall post a printed explanation of its fares in its buses and

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terminals. The notice shall be posted at least five days before the effective date of the fare changes and shall remain posted for at least 30 days.

This order is effective today.

Dated JUL 7 1981, at San Francisco, California.

John E. Guyer
President

Lawrence M. Brown
Victor C. ...

Priscilla C. ...
Commissioners

Commissioner Richard D. Gravelle, being necessarily absent, did not participate in the disposition of this proceeding.

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Appendix A

GOVERNMENT SERVICES, INC.
(PSC-913)

First Revised Page 4
Cancels
Original Page 4

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS. (Continued)

- (4) The term "on-call" as used refers to service which is authorized to be rendered dependent upon the demands of passengers. Tariffs and timetables shall show the conditions under which each authorized "on-call" service will be rendered.
- (5) No passenger shall be carried to or from Visalia and Tulare, or any intermediate point, who has not purchased transportation to and from some point in Sequoia National Park.
- * (6) No passenger shall be carried to or from Fresno and Squaw Valley, or any intermediate point, who has not purchased transportation to or from some point in or East of Squaw Valley.
- (7) The regular route service shall be scheduled, except for the period when the parks are officially closed as determined by the opening and closing of the facilities therein for the accommodation of tourists, during which period this service shall be "on-call".
- (8) The sight-seeing service shall be operated as an "on-call" tour.

Issued by California Public Utilities Commission.

*Amended by Decision 93296 dated JUL 7 1981, Application 60213.