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Decision 93440 AUG 18 1981

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)
of Norman S. Burnett, dba, B & B)
Commute Service doing business as)
an Airline Commuter for authority)
to increase fares for the trans-)
portation of passengers on reg-)
ular scheduled routes in Santa)
Clara and San Mateo Counties.)

Application 60312
(Filed March 3, 1981)

O P I N I O N

Applicant is authorized to operate passenger stage service to the United Air Lines Maintenance Base (UALMB) at San Francisco International Airport, from points in Santa Clara County. The service operates on schedules convenient for passengers commuting from home to work.

By this application, applicant seeks to increase passenger fares from \$12.50 to \$17.00 for a week's ticket. Passengers have been transported since 1976 without any fare increases. Since then, applicant states that there have been increases in operating costs, including fuel, oil, and insurance. Applicant states that this fare increase is needed to maintain the passenger stage service on a viable economic footing, given the increase in operating costs over the past five years.

Exhibit B attached to the application shows an annualized operating ratio of 87% with a profit of \$7,459, for the year 1979. Exhibit B projects that with the requested relief, this operating ratio will be 88% with a profit of \$11,160 for a rate year ending December 31, 1981.

We note also that these figures do not reflect any allowance for the proprietor's labor in conducting this passenger transportation enterprise. It is clear from Exhibit B that the service is currently being operated at a loss.

Notice of the application was published in the Commission's Daily Calendar, and applicant served copies of the application on interested parties. The Transportation Division staff notified public transportation operators and planning agencies of this filing, under Public Utilities Code Sections 730.3 and 730.5. No protests have been received. A public hearing is not necessary. Since there is an immediate need for this fare adjustment, the order should be made effective today.

Findings of Fact

1. Applicant is a passenger stage corporation transporting passengers between the Santa Clara Valley and the United Air Lines Maintenance Base at San Francisco International Airport.

2. Applicant's present fares for such service are non-compensatory. A projected profit of \$11,160 is expected for the year 1981 with the requested relief.

3. Applicant is in immediate need of the requested relief. The fares proposed will not be excessive.

4. The requested increases in fares are justified.

Conclusions of Law

1. The application should be granted.

2. A public hearing is not necessary.

3. Because of the demonstrated urgent need for additional revenue, the order should be effective today.

O R D E R

IT IS ORDERED that:

1. Norman S. Burnett, doing business as B & B Commute Service, is authorized to establish the increased fares proposed in Application 60312. Tariffs shall be filed not earlier than the effective date of this order. They may go into effect 5 days or more after the effective date of this order on not less than 5 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 posting and filing tariffs, applicant shall post a printed explanation of the fares and rule change in his buses and terminals. The notice shall be posted at least 5 days before the effective date of the fare and rule changes and shall remain posted for at least 30 days.

This order is effective today.

Dated AUG 18 1981, at San Francisco, California.

John E. Boyer
President
Richard D. Stovall
Thomas W. Smith
Walter C. Brown
Priscilla C. Hill
Commissioners