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Decision <u>93620</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE

In the Matter of the Application of Harrell's Tours, a Sole Proprietorship for the authority to increase fares for the transportation of passengers on regular scheduled home-to-work routes between points in Alameda County and the United Airlines Maintenance Base in San Francisco, San Mateo County.

Application 60531 (Filed May 7, 1981)

<u>O P I N I O N</u>

Kenneth Herrell, doing business as Herrell's Tours (applicant), is a passenger stage corporation (PSC-1137) engaged in the business of transporting passengers between points in Livermore and Pleasanton, on the one hand, and the United Airlines Maintenance Base at the San Francisco International Airport, on the other hand.

Applicant seeks authority to increase its passenger stage fares from \$11.50 per week per person to \$18.00 per week per person.

In connection with this application, the Commission staff has made an engineering-economics review of applicant's operations. A summary of the estimated results of operations is as follows:

	Historic Year 1980	Present Fares	Proposed Pares
Revenues	\$18,781	\$19,354	\$30,294
Expenses	22,596	23,490	23,490
Net Operating Revenue	(3,815)	(4,136)	6,804
Income Taxes, Est.	-	-	1,699
Net Income, After Taxes	3 (3,815)	(4,136)	5,105
Operating Ratio After Taxes 120.3%		121.4%	83.2%

(Red Figure)

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The staff recommends that the application be granted. Copies of this application were served on interested parties and the application was listed in the Commission's Daily Calendar. Additionally, the Commission staff notified affected public transit operators and planning agencies of the filing of this application, under Public Utilities Code Sections 730.3 and 730.5. No protests were filed.

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Findings of Fact

1. The requested fare increase will result in additional annual revenue of \$10,940.

2. The proposed fares are necessary to ensure the continued viability of these transportation services.

3. The proposed fare increase is justified.

4. No protests or substantive comments have been received concerning this application.

5. A public hearing is not necessary. <u>Conclusion of Law</u>

The application should be granted as set forth below. This order should be effective on the date of signature because applicant is losing money, and the proposed fares are needed now to ensure the continued viability of these transportation services.

<u>O R D E R</u>

IT IS ORDERED that:

1. Kenneth Harrell is authorized to establish the increased fares proposed in Application 60531. Tariffs shall be filed not earlier than the effective date of this order. They may go into effect five days or more 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 90 days after the effective date of this order.

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

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This order is effective today. Dated _____OCT 6 1981 _____, at San Francisco, California.

JOHN E. BRYSON President RICHARD D GRAVELLE LEONARD M CRIMES, JR. VICTOR CALVO PRISCILLA C. GREW Commissioners certify that this decioro in the above Co