

Decision 93824 DEC - 7 1981**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of }  
 Kern County Transportation Services, }  
 Inc. dba K.A.R.E. for the authority }  
 to increase fares for the transpor- }  
 tation of passengers between points }  
 in Kern County. }

Application 61011  
 (Filed October 27, 1981)

O P I N I O N

Kern County Transportation Services, Inc. (applicant), ✓  
 doing business as K.A.R.E., is a passenger stage corporation (PSC-1129)  
 engaged in the business of transporting passengers along several  
 routes in the Bakersfield-Kern County region. These are relatively  
 new routes, having been authorized only last year.

Applicant seeks authority to increase passenger stage fares  
 as follows:

|                                       | <u>Present</u><br><u>Fares</u> | <u>Proposed</u><br><u>Fares</u> |
|---------------------------------------|--------------------------------|---------------------------------|
|                                       | Regular/SDY <sup>1/</sup>      | Regular/SDY <sup>1/</sup>       |
| Between Bakersfield and Lake Isabella | 2.25/1.40                      | 2.75/1.40                       |
| Local Kern River Valley               | .50/ .25                       | .75/ .40                        |
| Between Bakersfield and Frazier Park  | 2.00/1.00                      | 2.50/1.25                       |
| Local Frazier Park                    | .50/ .25                       | .75/ .40                        |
| Between Lamont and Bakersfield        | 1.00/ .50                      | 1.25/ .75                       |
| Local Lamont                          | .50/ .25                       | .75/ .40                        |
| Local Mojave, Boron, and Rosamond     | .50/ .25                       | .75/ .40                        |

<sup>1/</sup> The SDY fares apply for senior citizens, disabled passengers, and youth, under applicant's tariff rules on file with the Commission.

In support of the requested relief, applicant notes that there have been increases in operating costs since these services were authorized and the present fares were adopted in July 1980. For example: fuel has increased in cost from \$1.10 to \$1.46 per gallon, and replacement parts for vehicle maintenance have increased from 5% to 25%. These items alone have increased expenses \$17,349 per year. Applicant cites the need for the requested fare increases to help cover these cost increases, maintain eligibility for local funding support, and bring these new routes closer to achieving a more reasonable return from the fare box<sup>1/</sup>. The present fares were intentionally set as low as possible to attract patronage to the routes; the proposed increases are moderate and will result in passenger fares which are still reasonable for the distances of travel provided. The estimated increase in annual passenger revenues is \$9,400. The requested relief has the support of the Kern County Board of Supervisors. ✓

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.

#### Findings of Fact

1. The requested fare increase will result in additional annual revenue of \$9,400.
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 have been received concerning this application.
5. A public hearing is not necessary.

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<sup>1/</sup> The County of Kern provides financial assistance for the applicant's operations. ✓

Conclusion of Law

The application should be granted as set forth below. This order should be effective on the date of signature because these routes are not yet fully compensatory and the proposed fares are needed now to ensure the continued viability of these transportation services.

O R D E R

IT IS ORDERED that:

1. Kern County Transportation Services, Inc. is authorized to establish the increased fares proposed in the application. 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.
3. In addition to posting and filing tariffs, applicant shall post a printed explanation of its fares in its vehicles and terminals.

A.61011 T/seq

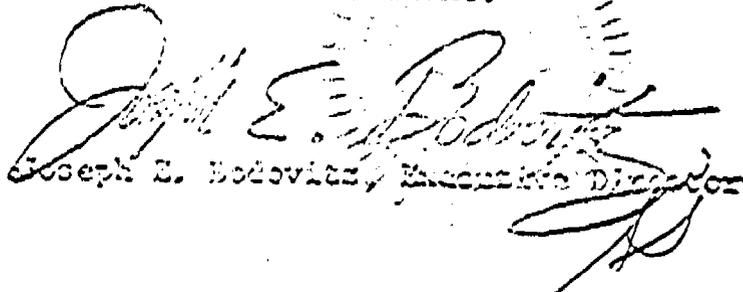
The notice shall be posted at least five days before the effective date of the fare changes and shall remain posted for at least 30 days.

This order is effective today.

Dated DEC 1 1981, at San Francisco, California.

JOHN E. BRYSON  
President  
RICHARD D. GRAVELLE  
LEONARD M. GRIMES, JR.  
VICTOR CALVO  
FRANCESCA C. GREW  
Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.

  
Joseph E. Bolovitz, Executive Director