

Decision 08-10-004 October 2, 2008

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Main Event Transportation Inc. for authority to Increase rates for Passenger Stage Corporation (PSC 16020).

Application 08-04-023
(Filed April 10, 2008)

D E C I S I O N**Summary**

This decision grants the application of Main Event Transportation Inc. (Applicant), a corporation, to increase its passenger fares \$5, pursuant to Pub. Util. Code § 454.

Discussion

Applicant is authorized to operate as a passenger stage corporation (PSC) to transport passengers and their baggage on a scheduled basis between Monterey, Marina, Morgan Hill, and Prunedale, on the one hand, and San Jose (SJC) and San Francisco (SFO) International Airports, on the other hand. Applicant also provides service between SJC and SFO. The service commenced in 1999, originally as a proprietorship and since 2003 as a corporation. Applicant's current fares, authorized by Decision 06-11-027, are shown below.

	SJC	SFO
Monterey / Marina	\$30.	\$40.
Prunedale	25.	35.
Morgan Hill	20.	30.
SJC	---	15.

The application requests authority to increase each of Applicant's current fares \$5. Applicant states the proposed fares are necessary to cover higher costs of conducting business, particularly for fuel and insurance. Applicant supplemented the application on July 8, 2008, with profit and loss statements for 2006, 2007, and January through May, 2008. The statements disclose 2006 income of \$95,700 on revenue of \$2.71 million (96.5% operating ratio) and 2007 income of \$98,000 on revenue of \$3.09 million (96.8% operating ratio). For the first five months of 2008, Applicant incurred a loss of \$32,300 on revenue of \$1.48 million (102.2% operating ratio). Applicant states that the proposed fares will generate approximately \$182,500 in additional revenue per year.

The profit and loss statements show results of Applicant's combined PSC and charter-party operations. The statements are useful nevertheless because they demonstrate the year-to-year upward trend in the costs of operating a passenger carrier service and provide some indication of Applicant's overall financial condition. In regard to fuel costs, Applicant's supplemental information includes a Department of Energy graph which shows the average retail price of diesel fuel rising approximately 92% between January 2006 and July 2008.

Applicant has adequately demonstrated that a fare increase is justified. We therefore will grant the relief requested.

Notice of filing of the application appeared in the Commission's Daily Calendar on April 17, 2008. Applicant served a copy of the application to the Cities of Monterey, Marina, and Morgan Hill, and SJC and SFO.

In Resolution ALJ 176-3212 dated April 24, 2008, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protest has been received.

Given this status, public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ 176-3212.

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code § 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

Findings of Fact

1. Applicant is authorized to operate as a PSC providing scheduled passenger transportation between points in Monterey County and SJC and SFO.
2. Applicant was last granted a fare increase by Decision 06-11-027.
3. The application requests approval to increase each of Applicant's current fares \$5.
4. Applicant reports experiencing increased costs of operations, particularly for fuel and insurance.
5. For the first five months of 2008, Applicant incurred a loss of \$32,300 on revenue of \$1.48 million in conducting its passenger carrier services.
6. The proposed fares are justified under Pub. Util. Code § 454.
7. No protest to the application has been filed.
8. A public hearing is not necessary.
9. 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 application should be granted.
2. Since the matter is uncontested, the decision should be effective on the date it is signed.

O R D E R

IT IS ORDERED that:

1. Main Event Transportation Inc. (Applicant), a corporation, is authorized under Pub. Util. Code § 454 to establish the increased fares shown in the application.
2. To implement the increases authorized in this decision, Applicant shall, on or after the effective date of this order, file revised tariff pages in accordance with General Order 158-Series. The revised pages and the fares listed in them shall be made effective no earlier than 10 days after the date of filing.
3. In addition to filing tariffs, Applicant shall post notices explaining fare increases in its terminals and passenger-carrying vehicles. Such notices shall be posted at least ten days before the effective date of the fare changes and shall remain posted for at least 30 days.
4. The authority to increase fares shall expire unless exercised within 90 days after the effective date of this decision.
5. The Application is granted as set forth above.
6. This proceeding is closed.

This order is effective today.

Dated October 2, 2008, at San Francisco, California.

MICHAEL R. PEEVEY
President
DIAN M. GRUENEICH
JOHN A. BOHN
RACHELLE B. CHONG
TIMOTHY ALAN SIMON
Commissioners

