



A-00107294

COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265  
June 27, 2002

IN REPLY PLEASE  
REFER TO OUR FILE  
R-00027530

DOCUMENT

JAMES D CAMPBELL JR ESQ  
130 STATE ST  
PO BOX 1000  
HARRISBURG PA 17108

Pennsylvania Public Utility Commission  
V  
Bucks County Transport, Inc.

To Whom It May Concern:

This is to advise you that the Commission in Public Meeting on June 27, 2002 has adopted an Order in the above entitled proceeding.

An Order has been enclosed for your records.

Very truly yours,

*James J. McNulty*

James J. McNulty  
Secretary

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cert. mail

BUCKS COUNTY TRANSPORT INC  
PO BOX 510  
HOLICONG PA 18928

MICHAEL A TIER ESQ  
SUITE 1300  
1401 ARCH ST  
PHILADELPHIA PA 19102

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, Pennsylvania 17105-3265

Public Meeting held June 27, 2002

Commissioners Present:

Glen R. Thomas, Chairman  
Robert K. Bloom, Vice Chairman  
Aaron Wilson, Jr.  
Terrance J. Fitzpatrick  
Kim Pizzingrilli

**Pennsylvania Public Utility Commission**

v.

**Bucks County Transport, Inc. – A-00107294**

**DOCKET NO. R-00027530**

**ORDER**

**BY THE COMMISSION:**

On December 10, 2001, Bucks County Transport, Inc. (Bucks), P. O. Box 510, Holicong, Pennsylvania 18928, filed Tariff Paratransit Pa. PUC No. 10. Bucks proposes a total increase in revenues of \$302,099 to cover increases operating expenses.

Bucks proposes to increase the one way per person charge by \$2.00 in order to generate this revenue increase. Bucks currently charges \$12.00 one way per person and proposes to charge \$14.00 one way per person. The revenue increase represents a 16.7% increase over existing revenues. The rate increase to support this additional revenue is 16.7% (\$12.00 to \$14.00).

Buck's total paratransit revenue is \$3,367,198 (the revenue effected by this \$12.00 to \$14.00 proposal is \$1,813,000 x 16.7%).

Bucks requests that the tariff becomes effective June 28, 2002. Bucks has properly notified the public of its proposed rate increase in accordance with 52 Pa. Code §23.61. The \$12.00 rate has been in effect since Bucks began to operate August 8, 1994.

Bucks submitted detailed financial records and other supporting data in support of its request. Bucks has calculated that the increase will produce additional PUC revenues of \$302,099.

**INCOME AND EXPENSE STATEMENT**  
**JANUARY 1, 2001 TO DECEMBER 31, 2001**

	<u>Actual</u>	<u>Adjustments</u>	<u>Carrier Projection With Adjustments</u>
<b><u>Operating Revenues:</u></b>			
Paratransit (in county)	2,983,000	302,099	3,285,099
Paratransit (suburban)	384,198	0	384,198
<b><u>Total Revenues:</u></b>	<b>3,367,198</b>	<b>302,099</b>	<b>3,669,297</b>
<b><u>Operating Expenses:</u></b>			
Maintenance	307,118	13,293	320,411
Transportation	1,539,102	76,955	1,616,057
Insurance	177,896	91,098	268,994
Administrative	1,169,709	66,333	1,236,042
Depreciation	171,067	6,843	177,910
Office Rent	64,314	2,573	66,887
Office Salaries	51,093	1,533	52,626
Interest Expense	* 23,134	* 2,313	* 25,447
<b><u>Total Expenses:</u></b>	<b>3,503,433</b>	<b>260,941</b>	<b>3,764,374</b>
<b><u>Net Income (loss):</u></b>	<b>(136,235)</b>	<b>41,158</b>	<b>(95,077)</b>
<b><u>Operating Ratio Before Taxes:</u></b>	<b>104%</b>		<b>** 102.6%</b>

\* Interest Expense is not an ongoing expense and non-allowable by the Commission.

\*\* Upon subtracting the non-allowable interest expense of \$25,447 from the overall expenses of \$3,764,374, the adjusted expenses will show \$3,738,927 or an operating ratio of 101.9%.

## COMPANY CLAIMED ADJUSTMENTS TO OPERATING EXPENSES

Maintenance – will increase by \$13,293 or 4.3% due to higher costs of maintenance salaries and cost of parts.

Transportation – will increase by \$76,955 or 5% due to increased drivers' wages.

Insurance – will increase by \$91,089 or 51.2% due to current year vehicle premiums.

Administration – will increase by \$66,333 or 5.7% due to increased office salaries and computer updating.

Depreciation – will increase by \$6,843 or 4% due to recent purchased vehicles.

Office Rent – will increase by \$2,573 or 4% due to an increase in the rental lease.

Officer Salaries – will increase by \$1,533 or 3% due to an increase in officer salaries.

### ANALYSIS

Bucks proposes a \$302,099 increase in revenues to offset additional increased projected expenses of \$260,941.

In order to generate this revenue increase, Bucks proposes to increase its one way per person rate by \$2.00 for a 16.7% increase. We conclude that the data compiled and submitted by Bucks supports this increase. The requested rate revenue increase will yield a 102.6% operating ratio. Bucks proposed rate schedule is as follows:

	<u>Present</u> \$	<u>Proposed</u> \$
One way per person rate:	12.00	14.00

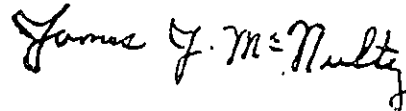
### CONCLUSION

We have determined that the above financial justification supports the proposed revenue increase of \$302,099. While this operating ratio appears insufficient to guarantee a profitable margin, the carrier has indicated that it is modifying its operations and will be able to provide safe, dependable and continuous service to the public: THEREFORE,

**IT IS ORDERED:**

1. That Paratransit Pa. PUC No. 10 be approved to become effective June 28, 2002.
2. That a copy of this order shall be served upon Bucks.

**BY THE COMMISSION**



James J. McNulty  
Secretary

**(SEAL)**

**ORDER ADOPTED:** June 27, 2002 .

**ORDER ENTERED:** JUN 27 2002