Sorong is a city of oil, industry, tourism, and the transportation gate of Papua. The section of road Sorong - Teminabuan is the only access road between Sorong and South Sorong. One of the available facilities transportation that used of these routes is the public transportation. Public transportation in the city of Sorong - Teminabuan is Ford and L 200. One of the fundamental problems about public transportation service on that route is the rate that set by the government was not yet enforced by the driver. The rates charged to users of public transport are higher than specified. Public transport service users objected to the rates charged are deemed too high. Whereas, transportation entrepreneurs feel that the rates which released by government are too less. The rates that established by the Government has not been able to cover operating costs and give a reasonable profit.

This study aims to review the public transportation rates in operation. The study was conducted to establish the public transportation rates that are not detrimental to transportation managers and users of public transport services. This research uses analysis methods such as vehicle operating cost (VOC) analysis and analyze to compare the public transportation rates that applied in the field with approach vehicle operating cost, government rates, the people’s ability to pay (Ability to Pay) and the willingness of people to pay (Willingness to Pay).

From the results of this study can be found that rates based on cost of production (Tarif BPP) for Ford vehicles are Rp. 2.089/km and L 200 vehicles are Rp. 2.218/km. These rates will be more expensive than the rates that government released which are Rp. 954/km and cheaper than actual rates which are Rp. 2.456/km. In addition, this study obtained the rate that based on the ATP is Rp. 3.364/km and rate that based on the WTP is Rp. 809/km.

Keywords: Ford, L 200, Vehicle Operating Costs (VOC), Ability to Pay (ATP), Willingness to pay (WTP).