

DECISION NO. 13 479.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of W. C. Dunlap, "Original Stage)
Line", to Adjust Passenger Fares)
Between Certain Points on the)
System.)

APPLICATION NO. 9477.

N. C. Folsom, for Applicant.

BY THE COMMISSION:

O P I N I O N

Applicant is engaged in the operation of an automobile stage line between Los Angeles and San Fernando and the intermediate points.

By petition filed October 25, 1923 applicant seeks the authority of this Commission to make certain readjustments of the passenger fares, resulting principally in increases, as set forth in Exhibit A, attached to and made a part of the application. These adjustments, applicant states, are made necessary to give to the intermediate points the benefit of commutation fares based on mileage, which cannot be accomplished without many increases.

There is now in effect between Los Angeles and San Fernando a 10-ride commutation book for \$2.50, or 25 cents per trip, which book can be used at all intermediate points, and

creates a blanket, making a rate of 25 cents per trip in all the territory beyond Staub's Farm, covering a distance of approximately nine miles.

At the hearing it developed it was applicant's chief desire to eliminate entirely these 10-ride commutation books and substitute 30 and 60 rides upon a higher per trip basis than now in effect under the 10-ride books.

The following statement is a representative showing of the fares involved, giving the present and proposed fares between Los Angeles and San Fernando:

		PRESENT		PROPOSED		
: Kind of :		: Cost Per :		: Cost Per :		
: Ticket :		Fare	Trip	Fare	Trip	
Los Angeles	San Fernando	One-Way	50	50	50	50
		Round	90	45	90	45
		Trip				
		10-Ride	*2.50	25	Cancel	-
		30-Ride	#9.00	30	%11.25	37½
		60-Ride	-	-	@18.00	30

* Time Limit - 5 Days
 # " " - 90 "
 % " " - 20 "
 @ " " - 40 "

The proposed 30-ride commutation fares will result in an increase of 25 per cent per trip when based on the present thirty-day ride, and 50 per cent when based on the present 10-ride commutation fares. The proposed 60-ride commutation fares will result in an increase of 20 per cent per trip over the present 10-ride, but reflects no increase when based on the present 30-ride fares; however, it will be noted that the proposed 60-ride book carries only a 40-day limit, as compared with the present 30-ride book with a 90-day limit.

Statement C, attached to the application, gives the number of 10-ride commutation tickets sold during the period of

one year, September 1, 1922 to August 31, 1923 inclusive. This statement indicates clearly that the present-time travelers are freely using the 10-ride books, 944 having been sold at Los Angeles and 1110 at San Fernando.

At the hearing, applicant was requested to furnish a statement covering a representative period of time and, accordingly, forwarded to the Commission, under date February 13, 1924, a statement of the passengers handled on 10-ride books from November 26 to December 9, both dates inclusive, 1923. For this thirteen day period 703 passengers were carried on 10-ride commutation books, but no data was given showing what percentage of the total number of passengers carried this thirteen day traffic check covers and it is, therefore, of little probative value.

No evidence was submitted to show that the present schedule of rates, taken in their entirety, are not compensatory. The only report filed by this applicant covers the year ending December 31, 1922, and shows:

Transportation Revenue	\$ 136,820.12
Transportation Expenses	123,415.08
Net Operating Revenue	13,405.04

The expenses are total and include taxes and depreciation. Total value of applicant's plant and equipment as of December 31, 1922 is set up as \$73,790.60. The amount claimed as depreciation is \$15,371.75, or approximately 20 per cent, certainly a sufficient amount. There is also included in expenses \$10,630.54 for injuries and damages; this item is not explained and is presumably larger than normal. But notwithstanding these large items for depreciation and damage claims, there was a net operating revenue for 1922 of \$13,405.04, a return of 18 per cent on the claimed valuation of

\$73,790.62. Certainly these results for 1922 do not indicate any necessity for more net revenue.

Applicant made no showing at the hearing as to its 1923 operations.

While the present schedule of rates may be somewhat out of line, it would appear to the Commission that what is needed in this situation is a general revision of rates which would result in more uniformity but without bringing about increases in the net revenue.

Upon a complete review of this entire record, it appears that applicant has not justified any increases in the present rates and we therefore conclude that the increases should not be authorized and that the application should be dismissed.

O R D E R

A public hearing having been held in the above entitled proceeding, the matter having been duly submitted, the Commission being fully advised in the premises, and basing its order on the findings contained in the opinion immediately preceding this order, and which is herewith made a part of this order.

IT IS HEREBY ORDERED that the application be and it is hereby dismissed without prejudice.

Dated at San Francisco, California, this 19th day of March, 1924.

C. Sawyer
H. B. ...
Dwight Martin

Commissioners.