

Decision No. 13629

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
the Glendale & Montrose Railway for)
Permission to Cancel Commutation)
Fares between Eagle Rock, California)
and Glendale, California.)

APPLICATION NO. 9729.

O.T. Helpling, P.L. Hatch and W.M. Mills. for Applicant.

BY THE COMMISSION:

O P I N I O N

This is an application filed under Section 63 of the Public Utilities Act for authority to cancel commutation fare of \$1.00 for 30-Ride Family tickets between Glendale (Broadway and Brand Blvd.) and Eagle Rock (Central Avenue), as carried in Item No. 8 of Glendale and Montrose Railway's Local Passenger Tariff No. 2-C, C.R.C.No. 5.

A public hearing was had before Examiner Geary at Los Angeles on April 23, 1924, and the proceeding having been duly submitted is now ready for a decision.

This applicant has been before the Commission a number of times during the past ten years with applications seeking readjustments of rates in efforts to make possible the continuance of the street car and interurban service at Glendale. It will not be necessary to go into the details of these cases, but the

operations have been maintained at a continual loss. The General Balance Sheet for the year ended December 31, 1923 shows a deficit balance of \$81,116.41. The Calendar year, ended December 31, 1923, shows Railway Operating Revenues \$49,039.32; Railway Operating Expenses \$53,845.29; Net Revenue, Railway Operations \$4,805.97; Taxes \$3,559.81; Operating Income \$8,365.78 (deficit).

The three months ended March 31, 1924 show Operating Revenues \$22,408.06; Railway Operating Expenses \$28,422.84; Net Operating Revenue \$6,014.78; Taxes Accrued \$696.72; Operating Income (deficit) \$6,711.50.

These three months, however, represent the dull months of the year, and probably the actual loss for the twelve months' period of 1924 will not be greatly in excess of the operating loss for the year 1923.

The Great Western Improvement Company is the majority stockholder of the Glendale and Montrose Railway and this owning corporation has been advancing the money necessary to keep the line in operation.

Testimony and exhibits were introduced by the company's Auditor and General Manager giving the details of the financial condition of the company, its operations and the efforts being made to improve the service with the hope of getting the property on a paying basis. At the present time tracks are being changed and improved in certain districts by reason of joint arrangements with the Los Angeles & Salt Lake Railroad. This latter company has entered into an arrangement for the handling of its freight by the Glendale and Montrose Railway, and it is expected that these arrangements will assist materially in correcting the financial difficulties of this applicant.

Notwithstanding the fact that notice of the proposed change in rates was published in the papers and direct notices forwarded to interested City officials and organizations, there were no appearances in opposition to the application.

The applicant presented a newspaper clipping to the effect that the City Council, by motion, instructed the City Attorney not to oppose the petition. This applicant, like many others throughout the United States, is continuing to suffer severely by reason of the general use of automobiles.

The fare to be cancelled of \$1.00 for 30 rides, or 3-1/5 cents per ride will result in a straight 5 cent fare, a regular charge to street car riders throughout the country and, therefore, no hardship will result to the traveler by reason of elimination of the \$1.00 commutation book.

Upon consideration of all the testimony and exhibits, we are of the opinion that the present 30-ride Family Commutation fare of \$1.00 is unreasonable and non-compensatory, and that the application should be granted.

O R D E R

The Glendale and Montrose Railway having filed an application with this Commission for authority to cancel 30-Ride Family Commutation fare of \$1.00 between Glendale and Eagle Rock, a public hearing having been held, the Commission being fully apprised, and basing its order on the findings of fact set forth

in the preceding opinion.

IT IS HEREBY ORDERED that the Glendale and Montrose Railway be authorized to amend its tariff by cancelling the 30-ride Family Commutation fare of \$1.00 between Glendale and Eagle Rock.

Dated at San Francisco, California, this 31st day of May, 1924.

C. L. Seaver

H. B. ...

J. ...

J. ...
Commissioners.