

Decision No. 13 665

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application )  
of the Bay Rapid Transit Company )  
for permission to change its Time )  
Schedule, Increase its Fares, and )  
Change its Equipment. )

APPLICATION NO. 10029.

J. Sherman Woolf, for Applicant  
H. G. Jorgensen, for the City of Pacific Grove

BY THE COMMISSION:

O P I N I O N

This is an application by the Bay Rapid Transit Company, filed April 28, 1924, by its owner, A. J. Mason, for an order granting permission to increase the single trip passenger fare between Monterey and Pacific Grove from 5 cents to 10 cents and to sell books of 14 tickets for \$1.00, or 7½ cents per ride, also to make changes in the operating Time Schedule.

A hearing was held at Monterey on June 3, 1924 before Examiner Geary, and the application having been duly submitted is now ready for a decision.

The applicant now employs four Ford Busses in the service and proposes, if these fare increases are authorized, to purchase modern automobile passenger vehicles at an estimated cost of between \$25,000. and \$30,000.

On February 15, 1922 applicant secured a certificate of public convenience and necessity, under Application No. 5776, to

commence the operation of an automobile stage line between Monterey and Pacific Grove, and originally charged a fare of 10 cents. At the same time, the Monterey & Pacific Grove Railway was operating a street car service with a fare of 5 cents between termini.

Under date September 24, 1923, Decision No. 12649, Application No. 9085, authority was granted to reduce the fare from 10 cents to 5 cents, abandon certain side street service and improve the headway by a 15-minute instead of a 20-minute schedule. The 5 cent fare went into effect October 14, 1923 .

Subsequent to the reduction of the fare to 5 cents by this applicant the Monterey & Pacific Grove Railway, on December 5, 1923, discontinued entirely all service between Monterey and Pacific Grove, leaving available only the automobile transportation.

The proposed adjustment of fares has the approval of the City Council of the City of Monterey, of the Board of Trustees of Pacific Grove and of the Chambers of Commerce of Monterey and Pacific Grove, as evidenced by copies of Resolutions attached to and made part of the application. In addition to these Resolutions there were witnesses at the hearing for the different organizations; their testimony was to the effect that an authorized committee had made a thorough investigation of the transportation conditions and reported that the readjustment of fares as proposed was necessary in order to make possible a continuation of the service which, at the present time, by reason of the small, light equipment, in poor condition, is not meeting the public requirements.

The applicant has no regular bookkeeper and was unable to furnish a positive financial statement of the results of its operations for the year 1923 or for 1924 to date. Testimony was offered to the effect that work on the machines and their garage storage was done on the premises of the Coast City Bus Line and

that no charge or record was made for much of the service performed for applicant which, if included in the 1923 operations, would have resulted in a still greater loss than set forth in the annual report, now claimed to be not complete in any manner. The testimony further indicated that the transportation services would not continue after the present Ford Busses are worn out; also that a proper service was not being rendered and could not be rendered with the present equipment under a 5 cent fare.

Arrangements have been perfected for financing the necessary new equipment, consisting of three or four standard modern busses, contingent upon the readjustment of the fares. A stipulation was also made by the applicant that the increased fares would not be placed in effect until after the new busses had been secured and placed in the service.

Subsequent to the hearing an exhibit was furnished giving an estimate of the increased operating expenses resultant from the use of the new busses, approximating an amount only slightly less than the estimated increase in gross revenue.

In this situation we have two communities with a combined permanent population approximating 10,000 and a large vacation population during the summer months, with only a limited, very unsatisfactory and inadequate passenger service, which cannot be improved under the present fares, and while the showing made at the hearing was not as comprehensive or satisfactory as the Commission would require of a well organized public utility and, under ordinary circumstances, would not authorize increases in fares where the applicant had not presented complete details of revenues and expenses, we believe, especially in view of the approval of the City authorities and of the special traffic committee appointed by the two Chambers of Commerce, that this application should be granted.

Applicant will be required to file with the Commission monthly reports showing the number of passengers carried, the number of single trip fares and commutation books sold, the total monthly operating revenue, and the total monthly operating expenses. The operating expenses, as well as the revenues, must be segregated in accordance with the Uniform Classification of Accounts for Class A automobile transportation companies, effective January 1, 1922.

The proceeding will be kept open for such further action as the Commission may find necessary.

#### O R D E R

A public hearing having been held in the above entitled proceeding, evidence submitted, and the Commission being fully advised in the premises,

IT IS HEREBY ORDERED that the Bay Rapid Transit Company (A.J.Mason, owner), be and it is hereby authorized to publish one-way fare of ten (10) cents, and ticket books containing fourteen (14) rides for One (\$1.00) Dollar, good between all points on its line between Monterey and Pacific Grove, as per Exhibit A attached to the application.

IT IS HEREBY FURTHER ORDERED that the applicant publish and maintain time schedule as per Exhibit B attached to the application.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall be subject to the following conditions:

That the fares shall not be increased until after the new equipment has been placed in operation.

That applicant shall file monthly reports prepared along the lines indicated in the preceding opinion, such reports to be filed on or before the fifteenth day of the month. The reports must be certified under oath by the owner of the certificate of public convenience and necessity.

IT IS HEREBY FURTHER ORDERED that the proceeding shall be held open for such further action as the Commission may deem necessary.

Dated at San Francisco, California, this 9<sup>th</sup>  
day of June, 1924.

C. Seaver

Irving Christie

J. T. Whitney  
Commissioners.