

MM

Decision No. 13718

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
the SAN DIEGO ELECTRIC RAILWAY COM-
PANY and the SAN DIEGO & CORONADO
FERRY COMPANY for authority to
cancel and discontinue the sale of
joint calendar month commutation
tickets between San Diego and
Coronado.

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) Application No. 10108
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In the Matter of the Application of
the SAN DIEGO ELECTRIC RAILWAY COM-
PANY for authority to cancel and dis-
continue the sale of calendar month
commutation fares between points within
San Diego, inner and outer zones, between
San Diego and Ocean Beach; between San
Diego and National City; between San
Diego and Potash; between San Diego
and Chula Vista and between San Diego
and Chula Vista (Third Street).

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) Application No. 10109
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E. J. Burns, for applicants.

BY THE COMMISSION.

O P I N I O N

These two applications, involving the same fare
adjustments, were heard together and will be disposed of
in one Opinion and Order.

A hearing was held at San Diego June 12, 1924, be-
fore Examiner Geary, and the proceedings having been duly
submitted are now ready for Opinion and Order.

In Application Number 10108 of the San Diego Electric Railway Company, joint with the San Diego & Coronado Ferry Company, authority is sought under the provisions of Section 63 of the Public Utilities Act for an order granting permission to cancel the joint Calendar Monthly Commutation fare of \$4.00 between San Diego and Coronado.

In Application Number 10109, of the San Diego Electric Railway Company, authority is sought to cancel Calendar Monthly Commutation fares between points within San Diego Inner and Outer Zones of \$4.00; between San Diego and Ocean Beach \$4.00; between San Diego and National City \$4.00; between San Diego and Potash \$4.00; between San Diego and Chula Vista \$8.50 and between San Diego and Chula Vista (Third Street) \$9.00.

In justification of the proposed changes the applicant sets forth that prior to the year 1923 the Calendar Month Commutation books were freely used, that since the establishment of the Weekly Pass on January 1, 1923, the sales have steadily declined and that the Weekly Pass now supplies all reasonable demands of the commuting patrons and at an average cost per ride lower than the Calendar Month fares.

The Weekly Pass is not individual as to use but entitles the passenger presenting the pass to as many rides as desired during a period of seven days beginning with first car on Mondays and ending with last car on the following Sunday, the only restriction being that in no case will a Weekly Pass be valid for transportation of more than one passenger on the same trip of any one car, train or motor coach.

Applicant presented eight exhibits dealing with various phases of the street car and interurban traffic, showing the

segregation of the passengers into the different fare classes, the revenue secured from each class, the number of passengers carried and the cost of printing and auditing the commutation books. The exhibits are very complete and comprehensive covering the actual performance for four years (1920-1921-1922 and 1923) with an estimate for the year 1924. For the purpose of this proceeding it will not be necessary to go into any extensive analyses of the exhibits except in connection with the commutation and weekly pass situations.

That the so-called weekly pass has met with the popular favor of the car riders in San Diego, and to a substantial extent solved the financial difficulties of these applicants is evidenced by the number of the weekly tickets sold. During the year 1923 applicants sold 321,547 weekly passes for \$330,610.15 the purchasers of these tickets made 8,697,245 trips representing 30.92 per cent of all passengers carried at an average revenue per passenger of 3.8 cents. During the first three months of 1924 the weekly passes produced 2,257,191 passengers as compared with 1,948,043 for the same months of the year 1923.

During the month of May 1924 applicants sold 31,532 weekly pass tickets as compared with but 74 monthly commutation tickets divided as follows:-San Diego inner and outer zones, 27,891 passes, no commutation; Ocean Beach 1,517 passes, 32 commutation; National City-Chula Vista 581 passes, 11 commutation; Coronado 1,543 passes, 31 commutation. In percentage the commutation tickets represents less than 1/4 of 1 per cent of the total number of tickets. Exhibit No. 6 shows that the expenses in connection with the printing, counting and auditing

of the limited number of commutation tickets sold consume 46 per cent of the total revenue.

No transfers are issued or necessary to the pass holders thus eliminating a large cost for printing and accounting, the absence of transfers also results in a great saving of time at the junction points.

Practically 75 per cent of the San Diego street cars are now operated by one-platform-man although most of the equipment is of the two-man type having a seating capacity for 56 passengers, making possible a substantial reduction in operating costs.

Notwithstanding the fact that notices of these proceedings were posted in all cars and stations and published in the daily press, but one person attended the hearing to protest the proposed changes, which protest was not against the adjustment per se but because a slight personal increase which might result from the discontinuance of the commutation fares.

After a careful consideration of the evidence in this proceeding and a study of the exhibits filed by the applicants herein, we are of the opinion and find as a fact that the commutation tickets now being sold by these applicants are not productive of sufficient revenue to justify the cost of printing and accounting and that they therefore become a burden on other traffic. The application should be granted.

O R D E R

Public hearing having been held in the above entitled proceedings, the matter having been duly submitted and the Commission being fully advised and basing its order on the

finding of fact as set forth in the preceding opinion,

IT IS HEREBY ORDERED that the San Diego Electric Railway Company and the San Diego & Coronado Ferry Company be authorized within twenty (20) days of the date of this Order to cancel and discontinue the sale of the monthly commutation fares as set forth in the application now published in Tariff C.R.C. No. 23 and No. 24.

Dated at San Francisco, California, this 20th day of June, 1924.

J. A. Seaver

James M. Martin
Eugene Shore

Commissioners.