Decision No. 15200.



BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of application of ) STOCKTON ELECTRIC RAILROAD COMPANY ) for a certificate of public conven- ) ience and necessity for the exercise ) of Franchise granted by Ordinance No. ) 960 of the City of Stockton. )

Application No. 11323.

Arthur L. Levinsky, for Applicant.

J. Leroy Johnston, for the City of Stockton.

SEAVEY, CONSISSIONER:

## OBTZIOZ

In this application, the Stockton Electric Railroad Company, a corporation, asks for a Certificate of Public Convenience and Necessity for the exercise of a franchise granted June 1st, 1925, by Ordinance No. 960 of the City of Stockton. A public hearing was held on this matter in Stockton on July 20th, 1925.

The franchise under consideration provides for an extension of the westerly end of Applicant's East Main Street Electric Street railroad from Tuxedo Park northerly along Kensington Way to the north line of Stadium Drive, a distance of approximately 2815 feet. This extension is for the purpose of serving the College of the Pacific and a growing residential district. Applicant proposes to operate street cars on a ten-minute headway for approximately eighteen hours each day.

The construction proposed is a double track standard gauge railroad with a T-rail weighing 75 lbs. to the yard and with the usual overhead trolley suspension. Car equipment similar to

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that now in use on Applicant's system will be operated.

Applicant's General Manager testified that the proposed extension would cost approximately \$35,000. and that the cost of operation would be approximately \$10. a day.

It appears from the evidence that in the near future the main revenue to be derived from the extension under consideration will be from the College of the Pacific. Attendance at the College last year was 644, with a faculty of approximately 100. The expected attendance at the session opening in September is from 800 to 1000 students. The faculty of the School has purchased thirty acres of property near the school for the erection of residences. This tract is already well built up. Plans are under way for the sub-division of the property adjacent to Kensington Way.

The franchise passed for this extension is similar in its terms with Ordinance 908, granted by the City of Stockton in connection with an extension of this East Main Street line into the Fair Oaks District (Application No. 10709). These two franchises differ only as regards time and location and in the clause in Ordinance No. 960 relative to rates of fare for school children. Council stipulated that insofar as the record in Application No. 10709 is relevant it should be considered as a part of the record in this proceeding.

Section 3 of the franchise attempts to provide a basis of rate regulation for the entire system of Applicant, a matter exclusively within the jurisdiction of the Commission. This matter was fully discussed in the Opinion of the Commission in Decision No. 14616, dated February 28, 1925, (Application No. 10709). The conclusion reached therein, that this provision expresses merely the attitude of the present officials of the City of Stockton as to what they believe is proper for the Company to earn as a return upon in-

vestment and that nothing therein contained can absolve this Commission from its duty to fix fair and reasonable rates by the facts as they may be developed in any particular case under its own methods of investigation and in its own best judgment is equally applicable to the present proceeding and will be so considered.

Public convenience and necessity justify the construction of this extension as proposed by applicant. The following form of Order is submitted:

## <u>order</u>

Stockton Electric Railroad Company, having made application for a Certificate of Public Convenience and Necessity for the exercise of franchise granted by Ordinance No. 960 of the City of Stockton, a public hearing having been held and the Commission being apprised of the facts, the matter being under submission and ready for decision,

IT IS MEREBY FOUND AS A FACT that public convenience and necessity require the construction and operation of an electric railroad from a point in the City of Stockton located on the center line of Central Avenue, at the east line of Oxford Circle; thence on a curve to the right, crossing Oxford Circle to a point on the north line of said Oxford Circle, said point being the intersection of the north line of Oxford Circle with the center line of Kensington Way; thence northerly along the center line of Kensington May to a point on the north line of Stadium Drive, a distance of approximately 2815 feet, therefore.

IT IS HEREBY ORDERED that Stockton Electric Railroad Company be and it is hereby authorized to exercise the privilege and franchise granted by that certain Ordinance No. 960 of the City of Stockton, filed with the application as Exhibit "A", provided, however, that nothing therein shall be considered as having been

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approved by the Commission in this Order as any basis of fixing rates of fares on the railway system of the applicant, or on any portion thereof.

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The authority herein granted shall become effective on the date hereof.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

The Commission reserves the right to make such further orders as may be necessary in this proceeding.

Dated at San Francisco, California, this 22 day of July, 1925.

YEAN

Commissioners.