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18858. Decision No.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of F. J. COULTER, as agent for PACIFIC COAST MOTOR COACH COMPANY, a corporation, for the establishment of local fares and elimination of certain fare points as herein set forth.



Norman H. Robotham, for applicant.

BY THE COMMISSION:

<u>o p i n i o n</u>

This is an application filed July 8, 1927, by the Pacific Motor Coach Company for authority under the statute to adjust the one way and round trip passenger fares at points between Newport Beach and San Juan Capistrano, as set forth in Exhibit "A" and as amended, attached to and made a part of the application. The proposed one way fares will be on the basis of 3.6 cents per mile and the round trip fares 85 per cent. of two one-way fares. This adjustment will bring about both increases and reductions, there being more reductions than increases.

A public hearing was held before Examiner Ceary at Laguna Beach September 7, 1927, and the proceeding having been submitted is now ready for our opinion and order.

A number of exhibits were introduced showing the present and proposed fares, a travel check of passengers, and letters endorsing the proposed adjustments. There was testimony from representatives of the Laguna Beach Merchants' Association,

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Laguna Beach Chamber of Commerce, Laguna Beach Realty Board and Newport Chamber of Commerce, all in favor of granting the application. There were no appearances in opposition.

Recently there has been a heavy increase in the population and in real estate and building activities at the points on the ocean front designated as Laguna Cliffs, Laguna Beach and Arch Beach, and these three communities have now been incorporated into a sixth class city known as Laguna Beach, resulting in a municipality five miles long and six blocks wide, with approximately one fourth of this total distance within the old limits of Laguna Cliffs, one fourth within the old Laguna Beach, and one helf within Arch Beach. In this territory there is now a 5-cent fare at the north and south ends of the district and a 10-cent fare covering the entire distance now embraced within the city of Laguna Beach. The evidence shows that the 5cont fare districts are very little patronized and that the local service is performed at a loss. All of the witnesses testified that the community would be better served with a 10-cent fare covering the entire city. From Newport Beach it is proposed to reduce the fare to Port Orange from 15 cents to 10 cents; to Barnes' Orchard from 95 cents to 85 cents; and to San Juan Capistrano from \$1.00 to 90 cents. Applicant expects that the adjustments, bringing about many reductions. will increase travel and assist in putting the company on a paying basis, which has not been the fact during the pioneer period before the highway was constructed and the communities commonced to grow.

We conclude and find upon this record that the one-way and round trip passenger fares as set for th in amended Exhibit "A" attached to and made part of the application, are just and reasonable fares. The application will be granted.

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This application having been duly heard and submitted, full investigation of the matters and things involved having been

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had, and basing this order on the findings of fact and the conclusions contained in the opinion, which said opinion is hereby referred to and made a part hereof,

IT IS HEREBY ORDERED that the Pacific Coast Motor Coach Company be and it is hereby authorized to establish within twenty (20) days from the date hereof the one way and round trip fares for application between Newport Beach and San Juan Capistrano and the intermediate points, as set forth in amended Exhibit "A" attached to and made part of the application.

Dated at San Frencisco, California, this <u>20</u> day of September, 1927.

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