Street should be reconstructed, the cost including regaving would be approximately \$65,000., whereas the cost of removing the tracks and repaving alone is estimated at \$20,500., and the cost of new bus equipment at \$22,720. Thus by substituting bus service for the existing rail service a saving of about \$22,000. in immediate investment will be effected. If the investment in street cars is considered, the saving in capital investment is even greater.

The applicant has for some time past been operating motor busses over other portions of its street transportation system, and such form of service has proven entirely practicable. The cost of operating motor busses, as indicated by its own experience, is 24.65 cents per bus mile, whereas the cost of operating electric street-cars is 32.93 cents per car mile, and the cost per bus seat mile also is slightly less than that of electric cars per seat mile.

In addition to the saving in the cost of operation, the applicant is of the opinion that on this particular line a better service can be rendered by busses than by street railway cars. The territory is fully developed and now affords the maximum patronage that can be anticipated under the present service. With the substitution of busses the running schedule can be reduced from a fifteen minute to a ten minute headway, and it is anticipated that the more frequent service will result in increased patronage.

Modern busses of forty passenger capacity will be used, which are of sufficient size to care for the traffic during the hours of heaviest travel. Fares and transfer privileges will be identical with those now applying to the present service.

The changes proposed under this proceeding in the transportation service of the applicant appear to be justified by public convenience and necessity and the application therefore will be granted.

## ORDER

The San Diego Electric Railway Company having filed the above entitled application, a public hearing thereon having been held, the matter submitted and now ready for decision, therefore

IT IS HEREBY ORDERED that the San Diego Electric Railway Company be and it is hereby authorized to abandon electric street railway service along First Street between B and Laurel Streets in the City of San Diego, and to substitute therefor a passenger motor bus service with approximately ten (10) minute headway over the following described route, to-wit:

Beginning at the intersection of Laurel Street and First Street; thence running southerly along First Street to B Street; thence easterly along B Street to Third Street; thence southerly along Third Street to Broadway; thence westerly along Broadway to First; thence northerly along First Street to Laurel Street, to the point of beginning.

Applicant shall post notices for a period of three (3) days in all street cars operated over said line advising the public of discontinuance of said street car service and substitution of motor bus service therefor.

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

Dated at San Francisco, California, this 9th da

Those Lower

Commissioners.