

Decision No. 21551.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

CITY OF ALAMEDA,
 Complainant,
 vs.
 SOUTHERN PACIFIC COMPANY,
 Defendant.

Case No. 2690.

ORIGINAL

CITY OF ALAMEDA,
 Complainant,
 vs.
 SOUTHERN PACIFIC COMPANY,
 Defendant.

Case No. 2702.

William J. Locke, City Attorney, for the complainant.
 William Meinhold and C. W. Durbrow, for the defendant.
 B. G. Skinner, for the Alameda Air Port, Inc., interested party.
 A. R. Linn, for the Alameda Chamber of Commerce, interested party.

BY THE COMMISSION:

O P I N I O N

The complainant is a municipal corporation of the State of California, with offices in the City Hall, Alameda. These proceedings concern the passenger fares of the Southern Pacific Company in the City of Alameda and are so closely related they were by stipulation consolidated and will be disposed of in one opinion and order.

Complaint in Case No. 2690, filed May 6, 1929, alleges that the one-way passenger fare of 21 cents between stations located within the City of Alameda and a newly established flag passenger train stop on the Alameda Pier designated as Alameda Airport is unjust, unreasonable, discriminatory and not commensurate with the fares between the other stations in the same territory served by this defendant.

Case No. 2702, filed May 31, 1929, alleges that the practices of defendant in selling 20-ride commutation tickets for 71 cents good between Pacific Avenue and High Street via Encinal Avenue and the south side of the city, and at the same time assessing for a shorter distance a like charge of 71 cents for 20 rides via Lincoln Avenue and the north side of the city between Mastick and Park Street, results in discrimination and is unjust, unreasonable, discriminatory and unfair. The gravamen of this complaint is that defendant be required to enlarge the fare limits on the north side, Lincoln Avenue line, to apply from Pacific Avenue to High Street (north), thus approximately equalizing the distance between the points where the 20-ride tickets may now be used on the south side of the city.

A public hearing was held before Examiner Geary at San Francisco August 13, 1929, and the cases having been submitted are now ready for our opinion and order.

We will first discuss the issues involved in Case No. 2690. The Alameda air field was officially opened in March, 1928, at a point approximately 3000 feet from the Alameda Pier, and defendant established a passenger train stop, naming the station Alameda Airport, and has since assessed and collected the San Francisco one-way fare of 21 cents under the intermediate application rule of its tariff. The airport was recently acquired by the Curtis Airports Incorporated, and an extensive acreage

of tide lands is now being filled. It is the intention of the present owners to expend large sums of money in land and building improvements, and in addition to using the properties as a common carrier and private terminal, to conduct an air flying school, a yacht harbor, an auditorium and other activities. The airport is the San Francisco Bay terminal of the Maddux Air Lines, the Continental Air Line, and the Curtis Flying Service. Approximately 65 passengers use these common carrier air lines daily and it is estimated that when the flying school is in operation there will be a daily attendance of 150 students. Visitors to the airport average 100 during week days and 2000 on Sundays, but these people travel almost entirely by automobiles. A check of the traffic shows that on week days only an average of 5 passengers use defendant's trains, while on Sundays there is an average of only 14 passengers. Defendant provides for the stopping on signal of all trains except during a short period in the morning and evening hours, when the delay to trains would seriously disrupt the heavy commutation movement.

Defendant now maintains a 7-cent fare between all points in Alameda and West Alameda. The distance from West Alameda to the Alameda Pier is 2.2 miles, from West Alameda to the airport 1.6 miles, and from the airport to Alameda Pier 0.6 miles. The space between the airport and Alameda Pier can be walked in about 6 minutes. It is defendant's contention that any fare between Alameda and the airport lower than the San Francisco fare of 21 cents could not be policed because of the few seconds in time and the short distance between the airport station and the boat landing at Alameda Pier; also that no train method could be devised which would prevent passengers paying the low airport fare from mingling with those passengers paying the higher San Francisco fare. To gate all San Francisco

passengers at Alameda Pier would retard the flow of travel materially, a thing undesirable with travel so great in volume as that moving from Alameda to San Francisco during the peak commutation hours of the early morning. The gates would make it difficult if not impossible to maintain present schedules with the use of two ferry boats. If the gates were installed it would necessitate an expenditure of \$3,800 for ticket choppers and an annual payroll for new employees of approximately \$17,000. The holding up of some 3800 commuting passengers at Alameda Pier is impracticable and therefore a special solution is necessary under the peculiar conditions existing, which of course must give paramount consideration to the necessities of the thousands of daily commuters in contrast with the occasional passengers making use of the airport facilities.

There is on sale a ticket for 29 cents (Local Passenger Tariff No. 2, C.R.C. No. 4175) permitting of a round trip Alameda to Alameda Airport, or at rate of 14½ cents in the one direction. Defendant also has in effect an individual monthly commutation fare of \$5.00 good between Alameda-Oakland and the Oakland Pier (Local Commutation Tariff D-No.3, C.R.C. 4883). This fare was published to accommodate the industries at or near the Oakland Pier and is analogous to the situation at the Alameda Pier. We recommend defendant publish the same commutation fare to the Alameda Pier and Airport.

Upon this record we find that the one-way fare of 21 cents between Alameda and the Alameda Airport is unjust and unreasonable, and that defendant should establish, effective October 15, 1929, a fare of 24 cents from Alameda to Alameda Airport and return, the coupons to distinctly show the direction of travel, and also a one-way fare of 12 cents good only from Alameda Airport to Alameda. This adjustment is understood to meet an

exceptional situation and is thus a departure from the customary practices of making passenger fares.

Referring now to Case No. 2702: As heretofore stated, the City of Alameda desires that the station limits of the 20-ride commutation ticket, good for use on the north side of the city between Mastick and Park Street via Lincoln Avenue, be extended to cover the territory from Pacific Avenue to High Street, north, thus covering the same station limits as now permitted by use of a similar ticket on the south side of the city between Pacific Avenue via Encinal to High Street. The distance from Mastick to Park Street is 1.9 miles and from Pacific Avenue to High Street south 3.8 miles.

Defendant operates from the Alameda Pier a loop service, the tracks diverging at Pacific Junction, the southside trains moving via Encinal Avenue and the northside via Lincoln Avenue. The total distance around this loop is 14.5 miles. The distances to opposite points are 3.8 miles from Pacific Junction (Pacific Avenue) to High Street (south) via southside and Encinal Avenue and 3.7 miles Pacific Junction to High Street (north) via northside and Lincoln Avenue.

We deem it unnecessary to enter upon an extensive discussion of the details of the situation for the facts are not in dispute.

The 20-ride tickets were originally established in 1904 at a rate of 50 cents, responsive to franchise requirements, and the present rate of 71 cents is the outgrowth of this rate, plus the increases authorized by the U.S.R.R. Administration on June 10, 1918, September 1, 1919, and August 28, 1920, and by this Commission January 25, 1926. It is shown that during the year 1928 there was a total of 135,200 passengers paying the 7-cent cash fare and 208,620 paying with coupons from the 20-ride books;

in other words, 39% paid 7 cents per ride, and 61% by use of the books, paid a fraction over 3½ cents per ride.

The total transbay travel in connection with defendant's interurban trains to Oakland, Berkeley and Alameda has steadily declined during the past four years, as evidenced by the following figures:

Year	:One-Way Tickets	:Commutation Books
1925	9,805,294	204,428.
1926	8,386,123	210,235
1927	7,582,117	208,408
1928	7,385,103	204,588

The passenger travel between San Francisco and Alameda is in volume only during four trips in the morning and four trips in the afternoon, when the boats carry an average of 700 passengers per trip, while during the balance of the day the average is 60 passengers per boat, who are carried in one coach via each route. Unquestionably the large decrease in defendant's one-way travel, being approximately 2,500,000 less in 1928 than in 1925, has weakened the passenger revenue as a whole and has increased the margin of loss between revenues and expenses.

For the 12 months ending December 31, 1928, defendant's Alameda ferry and its Alameda suburban lines had total operating revenues of \$709,998, with total operating expenses and tax accruals of \$961,287, a railway operating loss of \$251,289, which amount does not include in operating expenses any proportion of traffic and general expenses. But regardless of this poor financial showing the fact remains that there is a discrimination as between the use of the 20-ride tickets on the north and south lines.

We find from the facts presented on this record that the failure of defendant to maintain 20-ride commutation tickets

good between Pacific Avenue and High Street north via the Lincoln Avenue line for a distance of 3.8 miles, which are no higher than the charge assessed for a like ticket between Pacific Avenue and High Street south via Encinal Avenue for a distance of 3.7 miles, is now, and for the future will be, unduly prejudicial to the Lincoln Avenue line and unduly preferential to the Encinal Avenue line, which undue prejudice and preference will be required to be removed.

O R D E R

These cases being at issue upon complaint, full investigation of the matters and things involved having been had, and basing this order on the findings of fact contained in the preceding opinion,

IT IS HEREBY ORDERED that defendant be and it is hereby notified and required to cease and desist on or before October 15, 1929, and thereafter abstain from publishing, demanding or collecting for the transportation of passengers between the points designated in the next succeeding paragraph hereof, fares which shall exceed those prescribed in said paragraph.

IT IS HEREBY FURTHER ORDERED that defendant be and it is hereby notified and required to establish on or before October 15, 1929, upon notice to this Commission and to the general public by not less than five (5) days' filing and posting in the manner prescribed in Section 14 of the Public Utilities Act, a fare of 24 cents from Alameda to Alameda Airport and return and a one-way fare of 12 cents from Alameda Airport to Alameda.

IT IS HEREBY FURTHER ORDERED that defendant be and it is hereby notified and required on or before October 15, 1929, to remove the unlawful prejudice and preference found to exist in the sale of 20-ride commutation tickets as between points on the

Lincoln Avenue north side line and the Excinal south side line.

Dated at San Francisco, California, this 17th day
of September, 1929.

Thos D. Kettel

C. Seavey

Ernest H.

Leon Whalley

M. P. Lee
Commissioners.