Decision No. 20001

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the matter of the application of BAKERSFIELD AND KERN ELECTRIC RAIL-WAY COMPANY, a corporation, and SAN JOAQUIN LICHT AND POWER CORPORA-TION, a corporation, for an order of the Railroad Commission authorizing the filing and making effective of revised schedules of street railway fares, etc.

) Application No. 18314

BY THE COMMISSION:

OPINION

The application in this matter is filed by Bakersfield and Kern Electric Railway Company conducting the business of operating a street railway as a common carrier of passengers in the City of Bakersfield, Kern County, and San Joaquin Light and Power Corporation, owner of all the issued shares of the capital stock of the first named company, excepting directors' qualifying shares. It is the prayer of the application that Bakersfield and Kern Electric Railway Company, hereinafter referred to as Bakersfield Company, be permitted to file with the Commission and make effective on its system certain experimental rates.

It is represented in the application that the number of passengers transported by Bakersfield Company by means of its street railway and the gross earnings thereof have been for some time last past and now are decreasing; that despite the

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fact that operating expenses have been reduced to a minimum, the income derived from the service rendered has steadily and continuously decreased to a point where at the present time the actual out-of-pocket expense is not being earned. It is stated that applicant has from time to time given consideration to abandoning its street railway property, but that before finally deciding to do so, and before making application for such authority, applicant is desirous of placing into effect certain experimental rates with the hope that the public will be encouraged to make greater use of applicant's street railway for passenger transportation purposes, and that the ultimate result will be to increase the income derived from the service rendered and the continued maintenance and operation of said street railway system thus warranted.

The reports of Bakersfield and Kern Electric Railway Company on file with this Commission reflect the unfortunate plight of this carrier. For the year ending December 31, 1931, it appears that a net operating loss of \$33,561.33 was sustained. For the first five months of 1932, it appears that the net loss, before depreciation, was \$7,168.56.

In view of the foregoing facts it is obvious that the applicant Bakersfield Company should be accorded a free hand in its endeavor to stimulate travel and should be permitted to experiment by the use of the schedules proposed. The rates proposed will benefit the public as will hereinafer appear.

The Bakersfield Company is now, and since September 15, 1928, has been operating under a rate schedule providing for a basic ten cent fare with seven tokens for fifty cents (C.R.C. Sheet No. 3). The proposals now made are as follows:

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(1) To make effective on August 10, 1932, and continue in force and effect to and including the 9th day of October, 1932, a schedule of fares set forth as Exhibit "A" to the application. This said schedule differs from Bakersfield Company's schedule now on file in that a new clause has been inserted to the effect that between the hours of 9:30 a.m. and 3:30 p.m., daily, Sundays and holidays excepted, adults and children of twelve years of age and over, and children less than twelve years of age if accompanied by an adult, will be permitted to ride free of charge on all regular cars.

(2) To make effective on October 10, 1932, and continue in force and effect to and including the 9th day of January, 1933, the schedule of fares set forth as Exhibit "B" to the application. This schedule differs from Bakersfield Company's schedule now on file in that it provides a single cash fare of five cents in lieu of the present single cash fare of ten cents and the privilege of purchasing unlimited tokens in units of seven for fifty cents has been eliminated.

(3) To make effective on January 10, 1933, the schedule of fares set forth as Exhibit "C" to the application. This schedule provides for the same fares, rules and regulations as are now provided in C.R.C. Sheet No. 3 and presently in force and effect.

There appears to be no necessity or occasion for a formal hearing in this matter.

ORDER

The Commission having carefully considered the above entitled application, and being fully informed in the premises,

IT IS HEREBY ORDERED that applicant Bakersfield and Kern Electric Railway Company is authorized (1) to file and make ef-

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fective on its system for the period in said schedule specified, the fares, rules and regulations set forth in Exhibit "A" to the application herein, the said schedule to be made effective upon not less than one day's notice to the Commission and to the public; (2) to file and make effective for the period in said schedule specified the fares, rules and regulations set forth in Exhibit "B" to the application herein, and (3) to file and make effective on January 10, 1933, and thereafter continue in force and effect the schedule of fares, rules and regulations set forth and contained in Exhibit "C" to the application herein.

Dated at San Francisco, California, this _____day of August, 1932.

Commissioner