

Decision No. 25249.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

**ORIGINAL**

In the Matter of the Application  
of the Fresno Traction Company  
for Authorization to change  
Schedule of Fares.

Application No. 18445.

BY THE COMMISSION:

O P I N I O N

Fresno Traction Company, applicant herein, is the owner and operator of the local street railway system serving the City of Fresno.

The fares now in effect on this system were authorized by the Commission in its Decision No. 18656, dated July 21, 1927, in Application No. 12653, the basic fare being 7¢ cash or three tokens for 20¢; in addition the company has a special rate for school children.

In the instant application, it is alleged, in effect, that under the present existing fares the revenue received is insufficient to cover operating expenses and/or depreciation on applicant's property; that applicant believes a reduction in fare for the short riders will increase business and thereby work to the material benefit of both applicant and its patrons and that the establishment of a 5¢ fare for short riders will be more equitable than the present fare structure which does not differentiate between short and long haul riders.

In this application it is proposed to divide the system into two major fare zones; the inner zone, which will include the

business section of the city, involving an area of about one and a half miles square, as shown in red on Exhibit "A" attached to the application, and the outer zone, shown in yellow on this exhibit, to include the remaining area now served by applicant. It is planned to establish a 5¢ fare, without transfer, for transportation within the inner zone; the present fare structure is to apply for transportation outside the inner zone and those riding through the two zones.

Applicant proposes this change in the fare structure as more or less of an experiment to be in effect for a period of six months. The result of this experiment will determine what position applicant desires to take with respect to fares at the expiration of the said six months' period. If no further order is made, the plan provides that the existing fare structure will be adopted.

Applicant's annual report for the year ending December 31, 1931, shows the operating income to result in a loss of \$55,686. The passenger revenue, Acct. No. 101, for the year 1931 was \$36,201. less than the amount received in 1930. Reports filed with the Commission show that for the first six months of 1932 the passenger revenue was \$20,878. less than for a comparable period in 1931.

It appears that applicant's plan of establishing a 5¢ fare zone for short haul riders will result in a benefit to that portion of its patrons who avail themselves of this service and it may be that it will result in increasing applicant's revenue without any natural increase in the operating expenses; therefore the application should be granted by ex parte order as there appears to be no necessity or occasion for a formal hearing in this proceeding.

#### O R D E R

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

IT IS HEREBY ORDERED that applicant, Fresno Traction Company, be authorized to file and make effective on its system for a period of six months a new fare structure embodying a 5¢ fare to apply in the central zone shown in red on the map attached to application and marked Exhibit "A." In all other respects the existing fare structure shall apply during this experimental period.

Applicant shall comply with the Commission's rules and regulations with respect to the filing of the changed fares authorized herein. Said new fares may become effective one day after filing with the Commission and notice to the public.

Dated at San Francisco, California, this 10th day of October, 1932.

CP Lewis  
Leon Whitely  
M J Van  
W B Harris  
Fred G. Stewart  
Commissioners.