

Decision No. 10282.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of Southern Pacific Company, a
corporation, for an order granting
permission to cancel Non-Baggage
Fares, between San Francisco, and
Richmond-Rodeo and intermediate points.)

APPLICATION NO. 7350.

In the Matter of the Application of
Atchison, Topeka & Santa Fe Railway
Company (Coast Lines) to cancel Non-
Baggage Fares between San Francisco
and Ferry Point, Richmond Avenue and
Richmond.)

APPLICATION NO. 7494.

J.E. Lyons and F.E. Batture, for Applicant in Application 7350.
Platt Kent and M.C. Harris, for Applicant in Application 7494.
D.J. Hall, for the City of Richmond.
E.W. Hollingsworth, for the Traffic Bureau of Oakland Chamber
of Commerce.

BY THE COMMISSION:

O P I N I O N

The above entitled applications were consolidated, a
public hearing was held before Examiner Geary on February 15, 1922
at San Francisco and the matters here under consideration are now
ready for a decision.

In Application No. 7350, the Southern Pacific Company
requested authority under Section 63(a) of the Public Utilities
Act to cancel all non-baggage fares now in effect between San
Francisco and Rodeo and all of the intermediate points.

In Application No. 7494 the Atchison, Topeka & Santa Fe Railway Company requested authority under Section 63(a) of the Public Utilities Act to cancel all of its non-baggage fares now in effect between San Francisco and Ferry Point, Richmond Avenue and Richmond (MacDonald Avenue).

The evidence in Application No. 7350 of Southern Pacific Company showed that the non-baggage fares complained of were originally established in September 1910 at a time when applicant furnished the only transportation between Oakland, West Berkeley and Corbin by means of local steam trains, this service being later extended to Richmond and was continued until June 1913, when it was abolished owing to the construction of electric car lines into a part of the territory. At the present time the non-baggage fare between San Francisco and Richmond is 34 cents, with baggage checking privilege 60 cents; to San Pablo the non-baggage fare is 47 cents, the baggage privilege fare 66 cents; to Pinole the non-baggage fare is 74 cents, with baggage checking privilege 84 cents, while at Rodeo the fare is 96 cents, there being no non-baggage fare in effect.

The history of the 34 cent rate with the non-baggage checking privilege is interesting, for the reason that it was built up to meet the growth of communities on the Alameda County side of the Bay. Originally, the interurban fare without baggage checking privilege between San Francisco and Corbin, a station beyond West Berkeley, was 10 cents, the main-line fare from Corbin to Richmond 15 cents, the combination of these two non-baggage fares, San Francisco to Richmond, making a through fare of 25 cents. During the period of Federal control the 25 cent fare was increased to 28 cents and by this Commission's Decision No. 7983, August 17, 1920, the fare was increased to 34 cents, this latter increase brought about by the action of the Interstate Commerce Commission's

Ex Parte 74 order. which followed the conditions imposed by the Esch-Cummins Act, commonly known as Transportation Act 1920.

The Southern Pacific Company filed an exhibit setting forth the number of tickets sold during the year 1921 at non-baggage fares; the total number of whole fares between all points was 53,671, or an average of 4,469 per month, the total half fares amounted to 1,262, or 105 per month. Out of this total 38,596 were whole and 1,051 were half fares between San Francisco and Richmond, producing revenue of \$13,423.71. Between San Francisco and Rodeo the number of whole fares amounted to 2,457; half fares 71, producing a revenue of \$2,392.80; the difference, 12,618 whole fares and 140 half fares, represented the travel between all other points.

There was testimony intended to show that travel on non-baggage fares has drifted to automobile companies and electric street car lines and while it may be a fact that these avenues of transportation are receiving a substantial and perhaps the major part of the Richmond business, the exhibits also show that there has been a large increase in the number of passengers carried by the Southern Pacific Company. This is particularly true of the traffic moving between San Francisco and Richmond, which in January 1921 was 2844, while in the month of December 1921 the total was 4342, or an increase in December over January of 1498 passengers, or 52 per cent. The same average increase was made to a greater or less extent at all of the other points involved and, since the year 1921 suffered severely from business depression, it is clearly proven that this suburban business is decidedly on the increase and would, no doubt, have given much better results had conditions been normal.

In answer to a question, carrier's witness stated that the cancellation of the non-baggage fares involved in this applic-

ation would not enable the company to take off any coaches or reduce the train service, the passengers now being carried on regular main-line trains.

There is no testimony in this proceeding to the effect that the cancellation of the fares would result in any benefits to the applicants, but on the contrary the change would tend to reduce revenues. Applicant's witness, however, was of the opinion that the volume of the travel would continue even if the Richmond fare were increased from 34 to 60 cents.

There is in effect a 10-ride commutation ticket between Richmond and Oakland, Berkeley and San Francisco of \$2.32, or at the rate of 23.2 cents per ride; the ticket is good for bearer and party and has a limit of one month from date of sale. It is not proposed to cancel this form of transportation and the conclusion must be that if the ordinary travelers were deprived of the 34 cent fare they would resort to the purchase of the 10-ride commutation ticket.

The Southern Pacific Company has in effect in the same general territory an interurban fare of 21 cents between San Francisco and Stonehurst, a distance of 14 miles, and a like fare between San Francisco and Elmhurst, a distance of 13 miles. The fare between San Francisco and Richmond is 34 cents for a distance of 15 miles. If this application were granted the only remaining fare between San Francisco and Richmond for the 15 miles, via the Southern Pacific, would be 60 cents as contrasted with 21 cents between San Francisco and Stonehurst for a distance of 14 miles. There is locality discrimination in the present situation, but it does not follow that this discrimination is unjust or unlawful when consideration is given to the difference in the class of service and the volume of business, but a decidedly unfair situ-

ation would be created if the Richmond fare were increased from 34 cents to 60 cents.

The evidence indicates that these applicants would not be benefited by depriving the people in the Richmond territory of the interurban fare they have so long enjoyed.

In Case No. 1532, the Richmond Chamber of Commerce called into question the passenger fares of the Atchison, Topeka & Santa Fe between San Francisco and Ferry Point, Richmond Avenue and Richmond (MacDonald Avenue), alleging they were excessive and unreasonable because the Santa Fe failed to publish the same non-baggage fares as in effect between San Francisco and Richmond via the Southern Pacific Company. Decision No. 9543, September 23, 1921, ordered the establishment of the non-baggage fares. In the instant proceeding the Atchison, Topeka & Santa Fe is asking this Commission to reverse the decision rendered six months ago, but it has failed to present any substantial reasons why the fares should not be continued in effect. A witness for applicant stated that the revenue obtained from the Richmond passenger traffic did not enter into the question, it being too small to be of any importance, although the passengers were carried on main-line trains at no additional operating cost.

The cancellation of these non-baggage fares resulting in radical increases to the general public would not be in harmony with the general trend of economic adjustments taking place all over the country and would result in no advantage to these applicants.

In view of the evidence presented, which fails to substantiate the justice of the fares proposed, we are of the opinion that the application should be dismissed. The Commission, however, is of the opinion that where fares are published to stations where

train stops have been abandoned where the non-baggage fare is higher or is the same as the baggage fare and where there are other inequalities in the tariff, the same should be corrected by presentation of informal applications under Sections 15 and 63 of the Public Utilities Act.

O R D E R

The Southern Pacific Company and the Atchison, Topeka & Santa Fe Railway Company having filed applications for authority to increase certain passenger fares between San Francisco and Richmond, a public hearing having been held in said applications, a full investigation of the matters and things involved having been had and the Commission being of the opinion that the applicants have failed to justify the proposed increases in fares,

IT IS HEREBY ORDERED that the applications in the above entitled proceedings be and the same are hereby denied.

Dated at San Francisco, California, this 5th day of April, 1922.

H. B. Dunning
James Martin
Charles H. Brown
J. H. Pennington
Commissioners.