

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

--oOo--

In the Matter of the application of HUBERT A. ADAMS, doing business under the fictitious firm name and style of "Lloyd's El Cajon Stages" for an order granting permission to increase certain passenger fares without hearing under Rules Nos. 710-711 of General Order No. 51.

Application No. 8110.

Warren E. Libby, for Applicant.

BY THE COMMISSION:

O P I N I O N

The applicant herein, under the fictitious name and style of Lloyd's El Cajon Stages, is operating a passenger stage line between San Diego and El Cajon, via La Mesa. The distance from San Diego to La Mesa is 12 miles, and from La Mesa to El Cajon 4 miles. The published fare from San Diego to El Cajon is 51 cents, one way, and 95 cents for the round trip. The present fare from San Diego to La Mesa is 25 cents, and from La Mesa to El Cajon 25 cents; the through fare, therefore, exceeds the aggregate of the intermediate fares by one cent. The applicant now seeks permission to publish a fare of 50 cents from San Diego to El Cajon, to increase from 25 cents to 35 cents the fare from San Diego to La Mesa, and to reduce from 25 cents to 15 cents the fare from La Mesa to El Cajon.

A public hearing was had on the above entitled application before Examiner Eddy at San Diego, On August 28, 1922, at which time the matter was submitted and is now ready for decision.

Until very recently, the Board of Trustees of La Mesa did not favor the operation of an automobile stage line between that community and San Diego, passenger travel between those

points being handled almost exclusively by the San Diego & Arizona Railway. Within the past three months, however, the applicant has secured from the Board of Trustees a permit to operate within the city of La Mesa and has found it necessary to purchase new equipment to take care of the increase in the number of passengers handled and the added service. The applicant formerly operated two cars capable of handling eight and five passengers; he has recently purchased a 20-passenger bus and another bus of the same kind is now being built. In May of this year, 343 passengers were handled between San Diego and La Mesa, in June 530 passengers, and in July 835 passengers. In the same months, the number of one way passengers between San Diego and El Cajon was 632, 436 and 808, respectively; and the number of round trip passengers, 544, 509 and 614. The gross receipts for the three months were \$2234.06, and the net income \$498.59. The net income for July was \$340.02, which is said to be especially high because of the large number of workers carried back and forth to fruit ranches. Had the proposed fares been in effect during the three months named, the earnings of the stage line would have been increased by \$117.84. The value of the equipment is \$11,000. Basing depreciation at 20% per annum, the annual net return, using the figures for May, June and July, would be \$1909.40; at the proposed rates, the annual net return would be \$2415.56. The present rates would result in an actual annual loss of \$290.60, and the proposed rates would give an annual net return on the investment of \$215.44, or 1.9%.

The record shows that the applicant, in securing permission to operate within the city of La Mesa, advised the Board of Trustees that it was his purpose to make application here for

an increase of 10 cents in the fare between San Diego and La Mesa, which increase was not opposed by that body. Full notice of the hearing was given and no one appeared to protest the granting of the increase. There was attached to the application, a petition signed by some 35 residents of La Mesa, asking that the fare increase be allowed.

Under the circumstances, we are of the opinion that the fares proposed will result in charges to the public that are not unreasonable, and they will be permitted to become effective. An order will entered accordingly.

O R D E R

In view of the findings set forth in the above opinion the applicant is hereby authorized to establish on or before September 11, 1922, rates set forth in the application as follows:

Between San Diego and El Cajon - - - - - 50 cents  
" - San Diego and La Mesa - - - - - 35 cents  
" - La Mesa and El Cajon - - - - - 15 cents

Dated at San Francisco, California, this 7<sup>th</sup> day of September, 1922.

H. T. Boardman  
James Martin  
Charles H. Howell  
J. J. Benedict

Commissioners.