

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

Commission No. 1485

In the matter of the application of The Atchison, Topeka & Santa Fe Railway Company - Coast Lines, for relief from the provisions of Section 21, Article XII, of the Constitution relating to Long and Short Hauls and through rates exceeding the aggregate of intermediate rates.

Case No. 214 (Application No. 1)

APPEARANCES

E. W. Camp and E. S. Pillsbury, for applicant, F. M. Hill, for Fresno Traffic Association, Geo. J. Bradley, for Merchants and Manufacturers' Association of Sacramento, Seth Mann, for Traffic Bureau of the Chamber of Commerce of San Francisco.

LOVELAND, Commissioner:

O P I N I O N

In its Application No. 1 of December 28, 1911, The Atchison, Topeka & Santa Fe Railway Company - Coast Lines, asked for authority to continue to charge for the transportation of passengers and baggage a greater compensation as a through rate between Los Angeles, on the one hand, and Butler, Claremont, Cucamonga, Rochester, San Bernardino, Upland and Waco, on the other, than the aggregate of the intermediate fares. This application was amended by the petitioner under date of March 30, 1912, and authority requested to increase by 5¢ the fares between Los Angeles and Santa Anita, Arcadia, Monrovia, Duarte, Azusa and Glendora, so that the aggregate of the intermediate fares to and from these points would not be less than the present fares between Los Angeles and San Bernardino.

In view of the fact that the provision of Section 21, Article XII of the Constitution relating to through rates in excess of the aggregate of intermediate rates is prohibitory and the Commission has no discretionary power in its application as in the case of the long and short haul provision, that part of the appli-

cation asking that this provision be waived as to the fares specified therein may be dismissed without further consideration.

In justification of the application to increase the fares between Los Angeles and the intermediate points specified in the application the petitioner alleges that in computing the fares between Los Angeles and intermediate points named in the application, on the basis of 3¢ per mile, it dropped or added the odd cents so as to make the fares end in "0" and "5" for convenience in making change in accordance with Western custom. This practice, in some cases, had the effect of making through fares greater than the aggregate of the intermediate fares. It also resulted in many fares being made less than 3 cents per mile, which the petitioner states is its usual basis for one-way, local limited fares between main line stations in this territory. If the practice of dropping odd cents resulted in many fares being less than 3¢ per mile, it likewise in many cases resulted in fares being made greater than 3¢ per mile by similar amounts, for as stated by the petitioner when the fare ended in "two (2) cents or less the same was dropped but when the amount was more than two (2) cents it was added". If only the fares which are lower than 3¢ per mile are to be increased and those fares which are greater than 3¢ per mile are permitted to remain a decidedly one-sided adjustment will result. Further no evidence was submitted tending to establish 5 cents per mile a reasonable basis. It is also urged that any reduction in the fares between Los Angeles and the points named in original application will affect the proportions accruing to the applicant out of the through rates operated in connection with Interstate carriers, inasmuch as a division of these rates is made on a rate pro-rate basis; also that the fare between Los Angeles and San Bernardino is used as a basing fare and that the reduction in that fare will result in reductions in fares based thereon. These reasons, however, do not justify the increase of the fares between Los Angeles and the intermediate points and manifestly can have no weight in support of this application.

It is further contended that the fares between the distant points which the petitioner is seeking to maintain are just and reasonable in and of themselves and do not yield more than a reasonable compensation. However, in the absence of proof that the fares between the intermediate points are too low, which the petitioner failed to produce, the presumption that they too are reasonable is just as strong as in the case of the fares between the distant points.

Considering the fact ~~xx~~ alleged by the petitioner that practically no traffic moves on the fares to the intermediate points, which, it is said, is mostly handled by the electric line operating between those points, because of its more frequent train service and lower fares, it appears that no hardship will be worked if the increases are permitted and I recommend, therefore, that the application be granted solely on the ground that there being practically no movement on the fares between Los Angeles and Santa Anita, Arcadia, Monrovia, Duarte, Azusa, and Glendora, any increase thereof would be but a "paper increase" and therefore the carrier is not put to the necessity of furnishing proof that the rates to the intermediate points are unduly low, to the same degree that it would be were the traffic considerable on the fares which it seeks to increase.

I therefore submit the following form of order.

#### O R D E R

The Atchison, Topeka & Santa Fe Railway Company - Coast Lines, having applied to this Commission for an order granting relief from the provisions of Section 21 of Article XII of the Constitution of the State of California, and permission to charge for the transportation of baggage and passengers a greater compensation as a through rate than between Los Angeles on the one hand, and Butler, Claremont, Cucamonga, Rochester, San Bernardino, Upland and Wade, on the other, than the aggregate of the intermediate fares, or alternately permission to advance the fares

between Los Angeles and Santa Anita, Arcadia, Monrovia, Duarte, Azusa and Glendora, so that the aggregate of the intermediate fares to and from those points would not be less than the present fares between the more distant points; and a hearing having been held and being fully apprised in the premises and basing its conclusions on the findings in the preceding opinion, the Commission is of the opinion that the application should be granted solely for the reason therein set out;

IT IS HEREBY ORDERED that the application of The Atchison, Topeka & Santa Fe Railway Company - Coast Line, to increase the fare between Los Angeles and Santa Anita, Arcadia, Monrovia, Duarte, Azusa and Glendora by 5¢, be and the same is hereby granted.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 6<sup>th</sup>  
day of May 1914.

John M. Eshleman

A. L. Leland

W. E. Gordon

Mar. Thelen

Commissioners.