

In the matter of the application of The Atchison, Topeka & Santa Fe Railway Co.- 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.

ORIGINAL

Case No. 214  
(Application No. 3)

Decision No. 1487

APPEARANCES

E. W. Camp, and E. S. Pillsbury, for applicant,  
F. M. Hill, for Fresno Traffic Association,  
G. 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. 3 of December 28, 1911, the Atchison, Topeka & Santa Fe Railway Company - Coast Lines, asks for authority to continue to charge for the transportation of passengers and baggage a greater compensation as a through rate between San Francisco, on the one hand, and on the other Angiola, Bakersfield, Corcoran, Fresno, Hanford, Laton, Lone Star, Sultana, Solita, Tulare, Turnbull, Visalia and Wasco, than the aggregate of the intermediate fares to and from Merced, or alternately authority is requested to advance the fares between San Francisco and Merced by 5¢ so that the aggregate of the intermediate fares to and from that point would not be less than the present fares between the more distant points.

Inasmuch as the provision of Section 21 of Article XII of the Constitution of the State of California, relating to through rates in excess of the aggregate of intermediate rates is prohibitory and the Commission is not vested with any discretionary power in its application as in the case of the long and short haul provision of the Constitution, it is necessary to consider in this application only the alternate application for permission to increase the inter-

mediate fares to Merced. (See Decision No. 1401 in Case 214, dated April 4, 1914).

In justification of its application to increase the fares to Merced the petitioner alleges that the present fare of \$4.05 between San Francisco and Merced was erroneously established by it in July, 1906, at which time it reduced its fare between these points, and that the said fare of \$4.05 between San Francisco and Merced yields less than 3¢ per mile, which is the general basis for one-way, local limited fares of the petitioner in this territory, and further, even if this fare were increased to \$4.10 it would not yield 3¢ per mile to the short line between San Francisco and Merced.

As was said in considering a similar application of the Southern Pacific Company (See Decision No. 1401 in Case 214, dated April 4, 1914), wherein the same reason was put forth in justification of a proposed increase in the fare between Merced and San Francisco via that line, it is obvious that if the fare of \$4.05 between San Francisco and Merced was established erroneously there was ample time since July, 1906, in which to have corrected that fare and to have advanced it to the basis which it is stated was usually employed in making such fares and that as a reason why the increase should now be allowed such a contention should not carry much weight. That a considerable reduction in the revenue of the petitioner will be brought about if the petitioner is required to establish through fares equal to the sum of the locals to and from Merced, is manifest, as alleged by the petitioner, but that is no reason why the reduction should not be made if the aggregate of the present intermediate fares would constitute a reasonable through rate; nor is there any merit in the contention that no formal complaint as to the reasonableness of any of the fares involved has been made or that the fare which the applicant seeks to increase is on a basis lower than that generally employed by the carrier in the absence of the carrier's affirmative showing that such a basis is just and reasonable and that it should apply in this particular case. In cases of this kind the burden of

showing that the present fares are too low in order to justify an increase in rates or fares is upon the applicant. The petitioner has failed to make such a showing and it follows that the application should be so denied and I recommend that it be so ordered.

I 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, Article XII, of the Constitution of California, and permission to charge for the transportation of passengers and baggage a greater compensation as a through rate between San Francisco, on the one hand, and Angiola, Bakersfield, Corcoran, Fresno, Hanford, Laton, Lone Star, Sultana, Solita, Tulare, Turnbull, Visalia and Wasco, on the other, than the aggregate of the intermediate fares to and from Merced, or alternately to advance the fares between San Francisco and Merced, 5¢ so that the aggregate of such intermediate fares to and from that point 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;

THE COMMISSION FINDS AS A FACT that The Atchison, Topeka & Santa Fe Railway Company - Coast Lines, has not justified its application to increase the one-way fare between San Francisco, on the one hand, and Merced on the other; and basing its order on the foregoing finding and the findings in the opinion preceding this order;

IT IS HEREBY ORDERED that the application be and the same is hereby denied.

The foregoing opinion and order is 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. Gohleman

H. B. Loveland

W. G. Gordon

Max Thelen

Commissioners.