

Decision No.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

J. W. RAY,
 Complainant,
 vs.
 PACIFIC ELECTRIC RAILWAY COMPANY,
 a corporation,
 Defendant.

ORIGINAL

Case No. 824.

Decision No. 2772

R. H. Jackson, for Complainant,
 A. W. Ashburn and E. C. Denio,
 for Defendant.

DEWEEN, Commissioner.

O P I N I O N.

This is an action to reduce from 10 to 5 cents the one-way fare on the line of defendant railway company between Pacific-Ocean Avenue Junction and Temple Avenue, both points within the city limits of Long Beach.

Complainant alleges that the present rates are discriminatory, work an injury and retard the growth of that part of Long Beach north of Anaheim Road between Zaferia Junction and Temple Avenue, also that school children do not use the railway freely because of excessive fares.

Defendant in its answer denies that the rates are discriminatory, avers that its five cent fares at Long Beach are not based on city limits, also that the car operations between Long Beach and Willowville via Zaferia and Temple Avenue are unprofitable.

Complainant introduced a number of witnesses whose testimony was substantially identical with and differed but

little from the allegations set forth in the complaint; viz, that the community between Zaferia and Temple Avenue was not progressing, that property could not be sold or rented because it was beyond the five cent fare zone, also that children attending the new grammar school near Temple Avenue walked to and from their homes on account of being unable to pay the 10 cent fare in effect between Zaferia and Temple Avenue.

The defendant operates street and interurban cars in and around the City of Long Beach and as the boundaries of the City are irregular the distances established for the five cent zones are not uniform, being as follows:

Pacific-Ocean Ave. Jet.	to Caspur	- 2.54 miles.
" " " "	to Willowville	- 2.80 "
" " " "	to 47th Place	- 3.56 "
" " " "	to Zaferia	- 3.99 "

It will thus be seen that based on mileage, people in the Zaferia district now have a longer ride for five cents than prevails on the line operating to other points in Long Beach or to territory adjacent thereto.

Temple Avenue is four-tenths of a mile from Zaferia on the main track of the Los Angeles-Newport Beach line and it is to this point complainant seeks to have the five cent fare extended. The fares between Long Beach and the points in the territory under discussion are as follows:

Zaferia - one-way	\$.05
Temple Avenue - one-way10
Temple Avenue - round-trip15
Zaferia and Temple Ave. - 30-trip, 90 day		
Family Commutation Ticket	..	1.50

The one-way fare between Zaferia and Temple Avenue is ten cents.

Traffic Manager for defendant testified that prior to February, 1914, cars were only operated between Willowville and Zaferia through Long Beach, the territory intervening on the loop between Willowville and Zaferia being taken care of by the main line trains of the Los Angeles-Newport Beach line, thus making

it necessary for passengers destined Temple Avenue, Signal Hill, Searby and Burnett to transfer either at Willowville or Zaferia.

Early in the year 1914 a through service was established by having the local car make the complete circle. This loop car was placed in operation upon the earnest solicitation of a committee of citizens residing at Long Beach and other interested points. This Committee in making its request for the through service admitted that it would not be profitable for some time, but nevertheless urged its establishment on the ground of convenience to the community, and also that the territory to be served would develop more rapidly.

The question of fares was discussed and the Committee assured the railway management that same would not be called into question after the cars were placed in operation over the main line tracks of the Newport Beach line between Zaferia and Willowville. Shortly after the loop service was inaugurated the 30-ride commutation fare was reduced from \$2.00 to \$1.50, thus giving regular patrons a one-way fare of five cents, the rate this complainant seeks to have established for all traffic.

Defendant filed a number of exhibits showing the volume of traffic and the revenue. It is to be noted that the Long Beach city lines for the fiscal year 1914-1915, as compared with the year 1913-1914, suffered a decrease in revenue of \$61,848.25, while the average per car mile dropped from .1871 cents to .1206 cents. This loss is attributed to the advent of the automobile and defendant's Traffic Manager testified that the lines were not earning sufficient revenue to meet actual operating expenses to say nothing of interest on bonds and dividends to stockholders.

The exhibits of passenger traffic indicate that about 20 passengers per day travel to and from Temple Avenue, while from points beyond, there are approximately 200 passengers per

day. Forty-eight cars are operated in each direction during the 24 hours and these 96 cars carry an average of 2.3 passengers per trip between Zaferia and Willowville. During the sixteen months, May, 1914 to August, 1915, inclusive, 1707 of the 50-ride commutation tickets were sold, an average of 107 per month, which would indicate that possibly half of the passengers are using commutation tickets and traveling for five cents per trip.

Defendant also testified that the boundary lines of the Temple Avenue school district had been carefully checked and it was shown that the children residing adjacent to the railway only walked from two to three thousand feet on their way to school. Experience on other lines was to the effect that children did not board cars for so short a distance even at nominal fares.

Traffic Manager for defendant voluntarily offered to publish a single fare of 5 cents between Zaferia and Temple Avenue, extending the same reduction as far as it was possible toward Willowville, without breaking down the through rates on the Los Angeles-Newport Beach line; he also agreed to publish a children's 46-ride ticket at $5\frac{1}{2}$ cents per ride between Zaferia and Temple Avenue.

It is apparent to me that this action would never have been brought had the defendant in 1914 refused to establish the through loop service and continued to require passengers traveling to points between Willowville and Zaferia to transfer to the interurban main line cars at junction points. It does not follow that because a city annexes adjoining territory that a street railway system should, as a matter of equity, necessarily, be required to extend its five cent fare zone to conform to the new boundary lines. Territory may be within the incorporated limits of a city and still because of extreme mileage and lack of traffic be entirely outside of street

car territory for the greater part of the revenues of street car companies is received from intermediate passengers who are continually getting on and off the cars and ride but short distances.

Complainant has not sustained his claim for a five cent fare between Pacific-Ocean Avenue and Temple Avenue in Long Beach, and I, therefore, recommend that the case be dismissed.

The defendant, Pacific Electric Railway Company, will be expected to publish at an early date a rate of 5 cents between Zaferia and Temple Avenue and a 46-ride children's ticket at $3\frac{1}{2}$ cents per ride between the same points.

I recommend the following form of order:

O R D E R.

J. W. Ray having filed a complaint with this Commission against the Pacific Electric Railway Company, a hearing having been held thereon, and it appearing to the Commission that the complaint should be dismissed,

IT IS HEREBY ORDERED that the complaint of J. W. Ray versus the Pacific Electric Railway Company be, and the same is hereby, dismissed.

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 23 day of September, 1915.

Max Thelen
A. H. Kinsland
Edwin O. Egerton
Frank R. Fisher
Commissioners