

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of  
the SAN FRANCISCO-OAKLAND TERMINAL  
RAILWAYS for an order readjusting  
passenger fares between SAN FRANCISCO  
AND TRANSBAY POINTS.

Application No. 2985.

- C. W. Durbrow, for Southern Pacific Company  
Bishop & Bahler, by H. M. Wade and L. R. Bishop  
for the City of Oakland and the Oakland  
Chamber of Commerce.
- Paul C. Morf and H. L. Hagan, for the city of  
Oakland.
- Frank D. Stringham and B. D. Marx Greene, for the  
City of Berkeley, and the Berkeley Chamber of  
Commerce
- A. F. St. Sure, for the City of Alameda.
- H. F. Strother, for Master Mates and Pilots in the  
employ of the Southern Pacific and the San  
Francisco-Oakland Terminal Railways;
- Vincent Carroll, for Marine Engineers;
- C. W. White, for the city of Hayward
- T. V. O'Brien, for the citizens of Hayward
- Sapiro, Neylan & Ehrlich, for the East Oakland  
Protective League and the Merchants Exchange of  
Oakland;
- Leon Clark, for the City of Albany;
- Morrison, Dunne & Brobeck, and Creed, Jones & Dall,  
for San Francisco-Oakland Terminal Railways.

By the Commission,

### OPINION

In this application the SAN FRANCISCO-OAKLAND TERMINAL RAILWAYS, known as the Key System, asks for authority to increase its passenger fares between San Francisco and points reached by its lines in Alameda and Contra Costa Counties. Shortly after this case came before the Commission, the Southern Pacific Company filed its Application No. 3086, in which authority was asked for an increase in Southern Pacific transbay passenger fares with the exception of the route commonly known as the Creek Route. Later, Application No. 3087 was filed by the Southern Pacific Company, asking for authority to increase the fares on the so-called Creek Route between San Francisco and Broadway Wharf, Oakland.

Thereafter the San Francisco-Oakland Terminal Railways filed an additional application No. 3219, in which authority was asked to readjust street car fares on the Company's Traction Division serving the communities of Alameda and Contra Costa Counties.

These four proceedings were consolidated and a number of hearings were held beginning on September 5, 1917, and ending on May 29, 1918. While these applications were before the Commission, the Federal Government, through the Director General of Railroads, took over the operating control of the Southern Pacific lines, including the transbay suburban service, and on the last day of the hearing that company asked that its Applications 3086 and 3087 either be dismissed or be indefinitely held in suspense. The Commission has decided that the proper disposition of that motion is by dismissal of these applications and such order will be made concurrently herewith. There is now left for decision the two applications of the San Francisco-Oakland Terminal Railways. It was stipulated, however, by all the parties in these proceedings that all exhibits and testimony introduced in the consolidated cases shall be applicable to both companies.

On May 27, 1918, the Director General of Railroads, Hon. Wm. G. McAdoo, filed with this Commission his order No. 28, initiating new freight and passenger rates on all federally controlled railways, the passenger rates to become effective on June 10, 1918, and the freight rates on June 25, 1918.

The passenger rate schedule as initiated by the Director General also affects so-called suburban and commutation rates, and insofar as such rates are concerned reads as follows:

"Section 9- Commutation fares shall be advanced ten (10) per cent. Commutation fares shall be construed to include all forms of transportation designed for suburban travel, and for the use of those who have daily or frequent occasion to travel between their homes and places of employment or educational institutions."

The Southern Pacific Company has filed with this Commission its schedule of suburban rates to conform with the Director General's order. These rates will take effect on June 10, in accordance with the tariffs filed with the Commission on June 5, 1918. The Key System is not under federal control and is therefore not included in the Director General's order.

The transbay rates have been on a parity continuously since the inauguration of service on the two systems and the entire suburban transportation structure now rests on that basis. It seems to us desirable that under the existing circumstances, somewhat abnormal in character, parity of rates should be maintained until time permits a proper and sufficient study of the large volume of testimony and exhibits introduced herein.

The numerous issues involved were presented by the applicants and protestants in these proceedings in a very thorough and complete manner. The Commission has now before it all of the data necessary in order to come to definite conclusions, but it has not yet been possible to come to a final decision as to the amount of increase which should be finally allowed. Pending such decision, it is our opinion that the Key System should be authorized to put into effect the same rates that will be established for the Southern Pacific as it seems to us proper that similar rates should become effective for both lines at the same time.

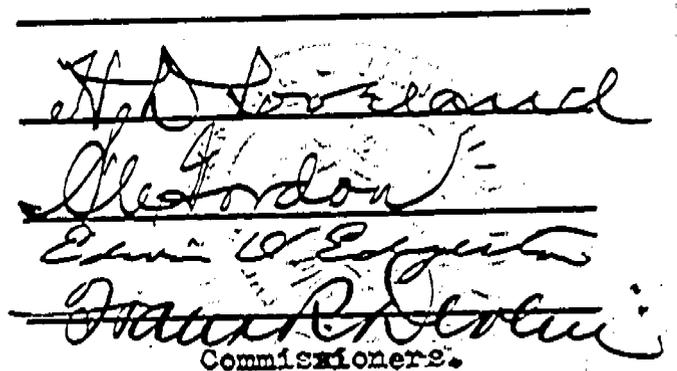
A final order as to the Key System rates and on the question of the street car fares on the Traction Division as involved in Application No. 2915, will be the subject of a subsequent opinion and order.

O R D E R.

SAN FRANCISCO-OAKLAND TERMINAL RAILWAYS having made application to this Commission for authority to increase certain passenger fares between San Francisco and points located in the Counties of Alameda and Contra Costa; public hearings having been held, and it appearing to the Commission that preliminary order should be made,

IT IS HEREBY ORDERED that SAN FRANCISCO-OAKLAND TERMINALS RAILWAYS be and hereby is granted authority to raise its commutation and suburban rates to conform with the rates carried in the tariffs filed with this Commission on June 5, 1918, by the Southern Pacific Company, covering transbay service, provided, however, that nothing herein is to be construed as authorizing an increase of fares on the traction division of the San Francisco-Oakland Terminal Railways.

Dated at San Francisco, California, this 8th day of June, 1918.

  
Commissioners.