

ORIGINAL

In the Matter of the Application
of Chas. O. Bell, Manager for
Samuel P. M. Lindsay, for authority
to increase the Round Trip Passenger
Fare between Long Beach and Avalon
from \$1.25 to \$1.50, in connection
with the Steamer "Nellie."

APPLICATION NO. 4568

Chas. O. Bell in propria persona.

LOVELAND, COMMISSIONER:

O P I N I O N

This is an application by Chas. O. Bell, acting as Manager for Samuel P. M. Lindsay in the operation of the Steamer "Nellie" for authority to increase the round trip passenger fare between Long Beach and Avalon from \$1.25 to \$1.50.

It is alleged that because of the increased cost of both labor and fuel that the service cannot be performed during the coming season at the rate now in effect. Applicant owns one steamer named the "Nellie," valued at \$12,000.00, no other property of any consequence is employed in the service and no offices are maintained although applicant participates in the Information Bureaus located in the Chamber of Commerce and on the pier at Long Beach, incurring a total expense of \$20.00 per month.

The distance from Long Beach to Avalon, - Catalina Islands and return is sixty two standard miles. The rate of \$1.25 was established August 27, 1917, at which time operating costs were much lower than at present. In justification of the changed fare applicant especially refers to the fact that fuel distillate has increased from $4\frac{1}{2}$ cents and $7\frac{1}{2}$ cents per gallon paid in 1917 to $13\frac{1}{2}$ cents per gallon in 1919; also that in 1917 members of the steamer's crew were secured for \$2.50 per day, while this class of

labor is now receiving from \$3.50 to \$5.00 per day.

Another reason advanced for the proposed increase in fare is that through a ruling of the Federal Inspectors the carrying capacity of the vessel has been reduced; in 1917 125 passengers was the maximum permitted per trip, now the vessel is allowed to carry but 85 passengers per trip during the summer season, May 15th to September 15th, and only 57 passengers per trip during the balance of the year, termed the winter season. The steamer makes but one round trip daily, and has an average of 40 passengers per trip. No freight is handled.

It is claimed there was a loss of approximately \$3500.00 during the season of 1918, but a heavier volume of traffic is expected in 1919 and it is believed there will be a profit during the coming year under the round trip rate of \$1.50.

Applicant is in competition with the Wilmington Transportation Company, which operates from San Pedro and charges \$2.25 for the round trip to Avalon. This latter company, however, employs fine large vessels and renders a service superior to that given by the Steamer "Nellie." The traffic handled by applicant consists almost entirely of pleasure seekers, and vacationists which probably accounts for the fact that no opposition of any kind was presented at the hearing, although notification was given to the public through the press and by direct invitation to the city officials and commercial organizations.

I am of the opinion that this applicant has sustained the burden of showing that the present fare is unremunerative under existing conditions and that the proposed round trip fare of \$1.50 between Long Beach and Avalon is just and reasonable. I therefore recommend that the application be granted.

O R D E R

Chas. O. Bell, acting as Manager for the Samuel P. Lindsay

Company, having filed an application for authority to increase the round trip fare in effect between Long Beach and Avalon, Catalina Islands, from \$1.25 to \$1.50 and the Railroad Commission after a formal hearing finding that the showing made is sufficient to justify the increase asked,

IT IS HEREBY ORDERED that the application herein be, and it is hereby, granted and the rate of \$1.50 is authorized to become effective upon filing of proper tariffs with this Commission within 30 days from the date of this order.

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 3^d day of *June*, 1919.

Edwin O. Egan
A. Loveland
H. W. Brundage
Irving Winter
COMMISSIONERS.