

Decision No. 7115

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application)
of RICHMOND AND SAN RAFAEL FERRY)
AND TRANSPORTATION COMPANY for)
authority to increase the charge) Application No. 5174.
for carrying automobiles between)
Richmond and Point San Quentin.)

Henry A. Jacobs for applicant.

LOVELAND, Commissioner.

O P I N I O N

Applicant asks the Commission for authority to increase its rates for the transportation of passenger automobiles and one-ton freight trucks between the cities of Richmond, in Contra Costa County, and Point San Quentin, in Marin County, from 75 cents to 94 cents.

The application is apparently based upon two things:

First, that the Federal controlled lines have granted this advance, and that the Commission has granted a similar advance to the Martinez-Benicia Ferry Company.

Second, that it is unable, with the present equipment, to give the public adequate service and desires to increase its equipment but cannot finance the necessary expenditure without a promise of increased rates.

Applicant filed an exhibit at the hearing, and supported it by testimony, that its total assets are \$126,202.73. This was not checked by the Commission, for the reason that such check was not necessary to decision upon the application.

Applicant admits, and the testimony shows, that upon

this claimed investment its rates are amply compensatory. While the Commission is anxious to see that the public is furnished with adequate transportation facilities, it cannot admit that either of the grounds mentioned above, upon which this application is based, is sufficient to justify granting it. The Commission had nothing to do with the fixing of the rate now charged by carriers controlled by the United States Railroad Administration and is, therefore, not prepared to pass upon the reasonableness of that rate or to consider it a reason for granting the present application.

The application of the Martinez-Benicia Ferry Company to advance its rate from 75 cents to 94 cents was granted after a full and complete showing by that company that the rates theretofore charged were not now compensatory.

The service of applicant is good, considering its facilities. The increase of such facilities will, according to testimony of applicant, probably result in largely increased business, and while, as before stated, the Commission desires to be helpful in furnishing the public with adequate service, it cannot advance the rates of a company which is admittedly doing a profitable business to aid such company in financing further capital expenditures. The record of this Commission should satisfy applicant that if further additions to capital are made, a request that the Commission adjust applicant's rates to a compensatory basis based upon such additions to capital, after a thorough investigation of results flowing from added facilities by the investment of such additional capital, will receive careful consideration.

I recommend that the application be denied, without prejudice, and submit the following form of order:

O R D E R

A public hearing having been held in the above entitled proceeding, testimony having been presented, the case having been submitted for decision, and the Railroad Commission basing its conclusions on the statement of facts which appears in the opinion preceding this order,

IT IS HEREBY ORDERED that the application be denied, without prejudice.

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 11th day of February, 1920.

Edwin O. Edgerton
H. D. Loveland
Frank R. Hohn
H. C. Bunnidge
Iwing Martin
Commissioners.