

ORIGINAL

Decision No. 8152

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of }
PICKWICK STAGES, NORTHERN DIVISION, Inc. }
to establish on one day's notice, }
certain increases in fares between } Application No. 6037.
points served on its Coast Division, }
Los Angeles to San Francisco, in- }
clusive. }

C. F. Wren for applicant.

BY THE COMMISSION:

O P I N I O N

Pickwick Stages, Northern Division, Inc., has petitioned the Railroad Commission for an order authorizing the establishment on one day's notice of certain passenger rate schedules as appearing in Exhibit "A" attached to and forming a part of the application herein.

A public hearing on this application was conducted by Examiner Handford at San Francisco on September 18, 1920, at which time the matter was duly submitted for decision.

Applicant relies as justification for the granting of the application upon the increased cost of operation and shows that the revenue is not sufficient to care for operating costs, depreciation and any interest on the value of the equipment used in the conduct of applicant's business.

Statements filed as exhibits indicate that during the five months period ending March 31, 1920, a net loss from operation was sustained in amount \$3,785.31. All items entering into

the cost of operation have shown material increases over those existing in the previous year, gasoline having advanced eight cents per gallon, tires 25%, repair parts 10 to 90%, garage labor 10 to 33%, driver's wages 10 to 20% and rental of leased cars 10 to 20%. Additional increase in the cost of gasoline is anticipated, as are increases in the cost of lubricants at the expiration of a present favorable contract. Since the filing of the application increased wages have been accorded drivers, averaging 15% over those heretofore paid.

The increases proposed result from a general readjustment of the fares of applicant in the district covered by the application, such readjustment varying from no change in the present rates to a maximum increase of 15% and with an average increase of approximately 10%. The rates proposed will be less than those now existant on the competitive rail lines and are not figured on a basis of return on investment but to equalize increased operating costs. Applicant proposes to inaugurate operating economies by changes in schedules and operating methods which economies together with the rate adjustment herein applied for are relied upon to produce a reasonable return upon the investment.

At the hearing on this application there was no appearance in protest although due notice had been given the interested public by advertisement and by notices posted at all stations and ticket offices maintained by applicant. We are of the opinion that the application should be granted in accordance with the following order.

O R D E R

A public hearing having been held in the above en-

titled proceeding, the matter having been duly submitted and the Commission being fully advised,

IT IS HEREBY ORDERED that Pickwick Stages, Northern Division, Inc., be and it hereby is authorized to publish and make effective on one days notice the schedule of rates and fares shown in Exhibit "A" as attached to the application in this proceeding upon proper tariff filings with this Commission in accordance with the provisions of General Order No. 51; provided, however, that no authority is hereby conveyed for the withdrawal of the optional route round trip rates between San Francisco and Los Angeles now appearing in tariff designated as C. R. C. No. 5, issued by Lewis A. Monroe, Joint Agent, this authority being withheld inasmuch as no application for cancellation by the other participating carriers to said joint tariff has been made to this Commission.

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 25th day of September, 1920.

Edwin P. Edgerly
H. D. Loveland
Frank R. White
H. R. Rindiger

Commissioners.