

Decision No. 914

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application)
of Frank Davies (Citizens Auto)
Stage) for an order fixing rates) APPLICATION NO. 6430
and fares to be charged for trans-)
porting passengers between Nevada)
City, Forest and Alleghany.)

Nilon and Nilon, for applicant.

BY THE COMMISSION:

OPINION

In this proceeding Frank Davies, operating under the fictitious name of Citizens Auto Stage Company, makes application petitioning the Railroad Commission to prescribe rates, fares and charges for transportation of passengers between Nevada City, Forest, and Alleghany and intermediate points. of sufficient volume to yield the applicant a reasonable return on his investment. The application was amended, petitioning for a flat increase of 20% in passenger fares.

A public hearing was held before Examiner Satterwhite April 7, 1921, and the matter is now ready for decision.

The applicant, in addition to the carrying of passengers and freight also handles U. S. Mail over his route between Nevada City and Forest and intermediate points, using automobiles in the summer and horse drawn vehicles in the winter. The route is over mountainous country, over heavy mountain grades and poor roads and with heavy snows during the winter months. The applicant filed with his application certain figures setting forth revenue and operating expenses for the period 1917 to 1920, inclusive, but these figures include not only revenue and expenses in the operation of his passenger service but also of

freight service^{and}/in the operation of United States Mail contracts with no attempt at segregation of expenses chargeable to passenger, freight and U. S. Mail contract. Owing to the method of operation of this line, it would no doubt be a difficult matter to separate certain of these expenses but the figures generally indicate that the applicant is operating at a loss and if he is to continue in business, requires additional revenue.

The applicant's rates are already higher than the rates in many other localities but this is offset to a great extent by difficulties of operation and the necessity of keeping the service going during rough weather.

Analyzing all of the evidence before us, we conclude that an increase of 10% in applicant's passenger fares, such fares to end in the nearest multiple of 5 cents, will afford at least temporary relief and an order will be made accordingly. In the meantime the applicant will be instructed to make a segregation of his operating expenses on some reasonable basis showing the amount attributable to the conduct of the mail service and the amount attributable to the freight and passenger service separately and if at the end of six (6) months temporary relief herein granted is not sufficient to yield a reasonable return, the Commission will consider a supplemental application to that effect.

ORDER

IT IS HEREBY ORDERED that Frank Davies, operating the Citizens Auto Stage Company, is hereby granted authority to increase his present passengers fares between Nevada City and Forest and intermediate points 10%, such fares to end in the nearest multiple of 5 cents.

IT IS FURTHER ORDERED that the applicant Frank Davies will be required to keep complete record of his revenue and expenses showing the amounts chargeable to the various phases of his service, namely, freight, passenger, separate from 197

any other kind of business transacted and at the end of six (6) months if the above rates do not yield a reasonable return upon the property used and useful in the public service, he may again come to the Commission for further relief.

Dated at San Francisco, California, this 24th day of June, 1921.

H. J. ...
H. J. ...
H. J. ...
H. J. ...
COMMISSIONERS.