

Decision No. 28150.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHERN PACIFIC COMPANY for author-)
ity to increase one-way, round-trip)
and commutation fares between Crock-) Application No. 18798.
ett and Vallejo, California, and)
points adjacent thereto.)

William Meinhold, for applicant.

W. A. Hayes, in propria persona.

BY THE COMMISSION:

O P I N I O N

This is an application by the Southern Pacific Company to increase one-way, round-trip and commutation fares between points in the territory Port Costa to Rodeo on the one hand, to the stations of South Vallejo, North Vallejo, North Vallejo Wharf and Orphans Home on the other.

A public hearing was held before Examiner Geary at Vallejo on May 5, 1933, and the matter submitted.

Passengers originating at Port Costa-Rodeo, handled under the fares in question, move to Crockett on the trains of the Southern Pacific Company, and are there transferred to auto busses traveling over the Carquinez Toll Bridge. The busses are operated on guaranteed schedules for the Southern Pacific Company by the Pacific Greyhound Lines, Inc. (hereinafter called Pacific Greyhound) between Crockett and the destination points on the Vallejo side of Carquinez Straits, and they will also transport passengers

originated by the agents of the Pacific Greyhound. The completed services were originally given by applicant's facilities through Vallejo Junction via train, ferry and train.

Under the present adjustment the charge is dependent upon where the ticket is purchased. As illustrative, the fares from Crockett via the two companies are as follows:

To South Vallejo -

Southern Pacific, one-way fare	18 cents,	round-trip	36 cents.
Pacific Greyhound, " " "	30	" " "	50 "

To North Vallejo Wharf -

Southern Pacific, one-way fare	18 cents,	round-trip	36 cents.
Pacific Greyhound, " " "	30	" " "	50 "

To North Vallejo -

Southern Pacific, one-way fare	24 cents,	round-trip	48 cents.
Pacific Greyhound, " " "	30	" " "	50 "

Between practically all of the other local points the Southern Pacific fares are one way 24 cents, round trip 48 cents; those of the Pacific Greyhound, one way 30 cents, round trip 50 cents. The Southern Pacific has in effect between Crockett and Vallejo a calendar month commutation 62-ride ticket for \$3.96, representing a charge of 6.4 cents per ride, presuming all 62 coupons are used, and a greater charge per ride when the unused trips are considered. The Pacific Greyhound has in effect a 52-ride book, not limited to a calendar month, for \$11.45, a charge of 22.2 cents per ride. The unfairness of the present adjustment is found in the fact that passengers riding the same busses pay different fares, dependent upon the agency from which the transportation is purchased. The Pacific Greyhound operates all but one of its through stages via the bridge head at Valona

Junction and not through Crockett, but because of the contractual arrangements its tickets are honored on the Southern Pacific guaranteed schedules from Crockett.

Under date of June 10, 1929, by Decision No. 21194, Applications Nos. 14085 and 14086, the Southern Pacific Motor Transport Company was granted a certificate of public convenience and necessity to transport passengers by busses between Crockett and Vallejo, and by the same decision the Southern Pacific Company was authorized to discontinue the operations of its ferry steamers and certain trains between Vallejo Junction and Vallejo. This authorization did not order or authorize any changes in the volume of the passenger fares, and they have continued upon the rail basis notwithstanding the new and special services by the busses of the Southern Pacific Motor Transport Company.

Under date of February 27, 1930, Application No. 16148 (34 C.R.C. 404), the Southern Pacific Motor Transport Company was authorized to abandon its service and to transfer to the Pickwick Stages System all of its operative rights between Crockett and Vallejo. At a later date the Pickwick Stages System was merged into the Pacific Greyhound.

Applicant presented exhibits giving the revenues (Southern Pacific and Pacific Greyhound) and the operating expenses on the guaranteed busses between Crockett and Vallejo for the months of January and February, 1933, showing that there was an operating loss in January of \$473.33 and in February of \$478.95. The average total receipts per passenger for January were 20.2 cents; the average bridge tolls per passenger including the busses, were 14.1 cents and the other transportation costs 19.8 cents, a total operating cost of 33.9 cents per passenger; resulting in an average loss per individual passenger of 13.7 cents for the completed movement be-

tween Crockett and the Vallejo points. Practically all tickets sold by the Southern Pacific Company originate at or are destined to Crockett for movement between that point and North Vallejo Wharf, resulting in a substantial loss per passenger on this class of travel.

Other exhibits were introduced to illustrate that had the proposed fares been in effect the loss of \$473.33 incurred in January would have been reduced to \$273.91, and the February loss of \$478.95 to \$231.09. The operating revenues as set up in these exhibits make no allowance for the carrying of mail and express, nor is any credit given for the transportation furnished passengers who originate at main line Southern Pacific or foreign points; however the testimony shows that these revenues if possible of attainment would not cover the transportation costs.

Other than the movement of passengers between Crockett and Vallejo the local travel is insignificant, there seldom being a ticket sold from points other than Crockett.

Notwithstanding the fact that widespread publicity was given the application and notices sent direct to interested parties and organizations, but two witnesses appeared who directed their objection only to the change in the commutation fare between Crockett and Vallejo. This fare of \$3.96 was published many years ago and represents a minimum charge for steam train operations on regular main line trains via Vallejo Junction, a route and service not now in existence. The commutation fare of the Pacific Greyhound, as heretofore stated, is \$11.45 for 52 trips and this charge is built up of a rate of 2 cents per mile plus the bridge tolls.

In view of the commutation fare now in effect by the Southern Pacific Company of \$6.50 per month between San Francisco

and the trans-bay points and extending in the direction of Vallejo to a station called Vigorit, 13 miles from San Francisco, it would appear to the Commission that the charge for the shorter distances between Crockett and the Vallejo points should not exceed this amount. It might be argued that applicant cannot afford and should not be required to furnish a service at less than the total out-of-pocket cost, but in this situation, with the busses required to move regardless of the volume of business and never being loaded to capacity, the only absolute out-of-pocket cost is 10 cents per passenger, the individual toll exacted by the Carquinez bridge company.

It is manifest from the testimony that these commuters cannot afford to pay an extravagant price for the services, and since the traffic is a by-product of the necessary services we are of the opinion that a commutation fare between Crockett and the Vallejo stations should not go beyond \$6.50 per month. It is also clearly proven by this record that the present one-way and round-trip fares are lower than the out-of-pocket cost of furnishing the transportation, and we find that the proposed one-way and round-trip fares as set forth in the exhibit attached to the application are not unreasonable.

O R D E R

This application having been duly heard and submitted, IT IS HEREBY ORDERED that said applicant is hereby authorized to establish, within thirty (30) days from the date of this order and upon not less than ten (10) days' notice to this Commission and the general public, by filing and posting tariffs in the manner prescribed in Section 14 of the Public Utilities

Act, the one-way and round-trip fares as set forth in Exhibit "A" attached to and made part of the application, and also to establish a monthly commutation fare of \$6.50 between Crockett and the Vallejo points.

The Commission reserves the right to make such further orders in this proceeding as to it may seem right and proper and to revoke its permission if, in its judgment, public convenience and necessity demand such action.

For all other purposes the effective date of this order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 17th day of July, 1933.

C. C. Seavey
Leon A. Williams
W. H. Lewis
W. B. Lewis
W. H. Lewis
Commissioners.