

Decision No. 28230.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
A. L. RICHARDSON, JR., doing busi-
ness under the name of PIERCE ARROW
STAGES, for authority to increase
passenger fares.) Application No. 18833.

Gwyn E. Baker, for applicant.

ORIGINAL

BY THE COMMISSION:

O P I N I O N

This is an application filed by A. L. Richardson, Jr., doing business under the name of the Pierce Arrow Stages, for authority under Section 63 of the Public Utilities Act to make changes in passenger fares.

A public hearing was held at San Francisco August 8, 1933, before Examiner Geary, and the proceeding having been duly submitted, is now ready for our opinion and order.

The applicant operates automobile stages for the transportation of passengers between Sacramento and points on or near Lake Tahoe. By our Decision No. 24973, July 5, 1932, in Application 18200, he was authorized to acquire the stage line formerly operated by the Tahoe Transportation Company between Tahoe City and Lakeside-Fallen Leaf and intermediate points, and adopted the tariff of the Tahoe Transportation Company. Applicant now desires to adjust these fares because they are not in harmony with the other fares of the Pierce Arrow Stage schedules in the same ter-

ritory. It is not proposed in changing the fares to increase the operating revenues but only to provide an adequate and harmonious fare structure. The changes will bring about both increases and reductions.

The territory under discussion may be roughly described as extending from Tahoe Tavern to Brockway, to Carnelian Bay and to Meeks Bay. To accommodate this traffic it is necessary to run a special bus; and because the communities served are all summer resorts, with passengers traveling principally during the school vacation months, the total revenue secured averages 9.5 cents per mile while the actual out-of-pocket cost of performing the service is approximately 14 cents per mile.

A letter was presented from the manager of the resort receiving the greatest number of passengers. This communication advised that the fare in effect was admittedly too low under all of the circumstances, and he was in favor of the higher fare.

The entire stage system operated by applicant during the year 1932 resulted in a loss before depreciation deductions of approximately \$125.00 per month. The season of 1933, although slightly better than 1932, is not expected to result in a net profit. Applicant now has joint fares between Sacramento and the Tahoe points, which in some instances result in violations of the long and short haul provision of the State Constitution, where the combination of local fares will make less than the published through fares, a situation requiring correction. There was no objection to the application being granted.

Upon consideration of all the facts of record, we are of the opinion and find that applicant should be authorized to make the readjustment in the passenger fares as set forth in

Exhibit "A" attached to and made a part of the application.

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 passenger fares as set forth in Exhibit "A" attached to and made a part of the application.

Dated at San Francisco, California, this 14th day of August, 1933.

C. L. Lewis
Leon A. Lewis

M. B. Lewis
Matthew Lewis
Commissioners.