

Decision No. 27924

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Suspension by)
the Commission on its own Motion)
of limited round trip fares of)
RIVER AUTO STAGES between Sacra-)
mento and Stockton and intermediate)
points.)

Case No. 3982.

ORIGINAL

B. C. Gibson for respondent.

Hill & Lucas, by Guy Hill, for protestant.

BY THE COMMISSION:

O P I N I O N

By an order of this Commission dated March 8, 1935, Local Excursion Tariff No. 50 C.R.C. No. 61, effective March 10, 1935, and Local Excursion Tariff No. 51, C.R.C. No. 62, effective April 8, 1935, of the River Auto Stages were suspended. The tariffs provide for a round trip fare of 50 cents good on Sundays only, between Stockton and Sacramento and the intermediate points, covering the period ending December 30, 1935.

The suspension was responsive to a protest received from the Pacific Greyhound Lines who set forth as a reason for the protest the claim that the 50 cent Sunday fare between Stockton and Sacramento (a distance of 54.7 miles in each direction or a total of 109.4 miles for the round trip) was confiscatory, was filed without advance notice to the protestant who was performing a similar service between the points involved, and that it would result in the forcing down of other fares.

Public hearing was held before Examiner Geary at San Francisco March 18, 1935, and the matter was submitted.

As justification for the proposed round trip fare, respondent referred to similar fares at other heavy travel centers in northern California.

The testimony indicated that by reason of the 50 cent fare between Sacramento and Marysville and to the many other points adjacent to Sacramento, a public demand has developed for a like fare between Sacramento and Stockton; the contention being that the same privilege should be extended to those who desire to travel between Sacramento and Stockton.

The testimony also shows that the Sacramento-Marysville Sunday fare has developed into heavy traffic, is profitable and reflects increased business for the stage lines during the days of the week when the normal fares are in effect. In other words, respondent maintains that the privilege of inexpensive traveling on Sundays will develop a stage-minded public who will use common carrier services rather than the private or family car. Respondent also showed that its operating costs, including depreciation and all other charges, total 13 cents per stage mile. It maintains that the new Sunday revenue will yield profits above the out-of-pocket cost (a figure less than 13 cents per mile), give work to idle employes and equipment, extend to the public a travel privilege not now available, and require no new capital investment.

Protestant takes the position that the fare is too low to meet the costs, would result in the breaking down of its through fares, and would necessitate a withdrawal of an optional use of tickets at Sacramento, a privilege now extended by virtue of an agreement between this respondent and protestant. This record, however, leads to the conclusion, in view of the now existing Sunday passenger fares originating at Sacramento, that the proposed adjustment is at least reasonably compensatory, and being for use on Sundays only would not break down or change the through fares

of the protestant. The optional use of tickets is not being exercised by the public and could be discontinued without inconvenience to any travelers. Sunday fares at an approximate cost of one-half cent ($\frac{1}{2}\text{¢}$) per travel mile (as proposed by respondent) are now in effect between Sacramento and Marysville, Sacramento and San Francisco-Oakland, San Francisco-Oakland and Stockton-Lodi, and a great many other points.

The instant record reveals a growing tendency by carriers to publish Sunday only round trip fares and the great numbers now in effect have attracted a substantial volume of business.

We conclude and find, after careful study of this record and the Sunday round trip fares now in effect in this general and competitive territory, that the proposed 50 cent fare would not burden other traffic and that the tariffs should be permitted to go into effect for the period ending December 30, 1935. If the River Auto Stages, after a reasonable test period, find there is not a sufficient public demand or the operations are unprofitable, application may be presented for authority to discontinue the arrangement.

Our order of March 8, 1935, should be vacated and this suspension proceeding discontinued.

O R D E R

Upon consideration of all the facts of record, and good cause appearing therefor,

IT IS HEREBY ORDERED that our order of March 8, 1935, in the above entitled proceeding suspending Local Excursion Tariff No. 50, C.R.C. No. 61, and Local Excursion Tariff No. 51, C.R.C. No. 62, of the River Auto Stages be and it is hereby vacated and set aside.

IT IS HEREBY FURTHER ORDERED that this proceeding

be and it is hereby discontinued.

Dated at San Francisco, California, this 29th day
of April, 1935.

John C. Williams

W. A. Cunn

W. B. Cunn

W. A. Cunn

W. A. Cunn

Commissioners.