

ORIGINAL

Decision No. 33891

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the INTERURBAN ELECTRIC RAILWAY COMPANY for authority to discontinue its operations.) Application No. 23312

In the Matter of the Application of KEY SYSTEM for Certificates of Public Convenience and Necessity to operate certain Interurban Railway and/or Motor Coach Service in the City and County of San Francisco and Counties of Alameda and Contra Costa.) Application No. 23313

An Investigation on the Commission's own motion into the operations of Interurban Electric Railway Company, Key System, and East Bay Transit Company re rates, service, and facilities.) Case No. 4478

In the Matter of the Application of EAST BAY TRANSIT COMPANY, a corporation, for a Certificate of Public Convenience and Necessity to operate certain motor coach service in the City of Oakland, County of Alameda, State of California.) Supplemental Application No. 19502

In the Matter of the Application of KEY SYSTEM, a corporation, for a certificate of Public Convenience and Necessity to operate certain motor coach routes.) Supplemental Application No. 20682

For appearances see Decision No. 33891, dated February 11, 1941.

RILEY, COMMISSIONER:

THIRD INTERIM OPINION

This opinion and the order to follow are confined to further consideration of transbay interurban passenger service between San Francisco and the East Oakland-San Leandro area formerly served by the Seventh Street rail line of Interurban Electric Rail-

way Company⁽¹⁾ and presently provided with substitute service by Key System and its affiliate, East Bay Transit Company,⁽²⁾ as authorized by Decision No. 33891, dated February 11, 1941, the⁽³⁾ Second Interim Order in these consolidated proceedings.

The plan of service now in effect was established on March 22, 1941, in accordance with the authorization granted by the Second Interim Order in these matters, which specified that said service should be placed in effect on a temporary basis pending completion of a more satisfactory plan. Subsequently, the Commission's Engineering staff completed a survey of the transportation requirements of the area formerly served by the Seventh Street rail line of Interurban Electric, and has submitted a recommended plan of co-ordinated rail and motor coach operations of Key System and Transit Company.

Public hearings were held in Oakland and San Leandro on March 24, 1941, and March 28, 1941, respectively, and the recommended plan was submitted in evidence by the Commission's Transportation Research Engineer as Exhibit No. 70.⁽⁴⁾ A compilation of statistical data relating to the San Francisco Bay area, fare and service comparisons, and origin and destination traffic check results were contained in another document submitted as Exhibit No. 71.⁽⁵⁾

(1) Hereinafter sometimes referred to as Interurban.

(2) Hereinafter sometimes referred to as Transit Company.

(3) First Interim Order, Decision No. 33732, dated December 17, 1940, authorized substitution of Key System motor coach service between San Francisco and Alameda, and discontinuance of Interurban rail lines.

(4) Part III of Vol. IV of the Report on Survey of Transbay Passenger Transportation.

(5) Part I of Vol. IV of the Report on Survey of Transbay Passenger Transportation.

The temporary service now in operation consists of an extension of Key System's previously operated transbay Twelfth Street Rail Line "A," from First Avenue and East 14th Street in Oakland, easterly along East 14th Street through Melrose and beyond to a terminus at 105th Avenue near the western city boundary of San Leandro, about one mile west of the business district. The operation is conducted over rails of Transit Company's local street car line between those points. In conjunction, Key System operates a feeder motor coach service between East 14th Street and Havenscourt Station paralleling, as closely as street conditions permit, the abandoned Seventh Street rail line of Interurban, providing a transfer connection with the transbay rail line at East 14th Street. This arrangement affords no direct through service or co-ordinated connecting service for the area east of Havenscourt Station along the route of the former Seventh Street line. To provide through service to that area Key System has extended its transbay motor coach Line "N," which formerly terminated at the intersection of Seminary Avenue and Tronor Street, easterly over Tronor Street, Foothill Boulevard, Hollywood Boulevard, 106th Avenue, and Bancroft Avenue to Estudillo Avenue in San Leandro, about one-half mile beyond the former rail terminus. From 106th Avenue to Dutton Avenue, the motor coach line follows the same route as the former rail line.

In addition to the above mentioned revision in Key System's rail and motor coach operations, certain local lines of Transit Company in the East Oakland-San Leandro area have been re-routed to afford connecting service with transbay operations.

To preserve the transbay fares formerly charged on the Seventh Street line, a free transfer was established for use between local lines of Transit Company and the transbay rail line of Key System, including the feeder motor coach line operating between

Havenscourt and East 14th Street.

It is recommended by Exhibit No. 70 that in lieu of the shuttle motor coach line now operating between East 14th Street and Havenscourt, Key System operate its extended Twelfth Street rail line over the tracks of the abandoned Seventh Street line between these points, and discontinue transbay rail service along East 14th Street between Melrose and 105th Avenue. The report further proposed that Key System's San Francisco-Hayward Motor Coach Line "R" be re-routed so as to provide for alternate operation over East 14th Street between Melrose and San Leandro, thereby providing a through motor coach service to that area which, previous to extension of the Twelfth Street rail line on March 22, 1941, had no direct transbay service.

The plan further recommended extension of Transit Company's local motor coach line No. 41 from its present terminus at 90th Avenue and Foothill Boulevard, easterly over the same route as the extended transbay motor coach Line "N," to a terminus at Bancroft and Estudillo Avenues in San Leandro. Extension of that line would provide an alternate mode of transportation by connecting with the proposed rail line extension at Havenscourt at no increase in fare over that previously enjoyed by patrons of the Seventh Street line.

Fares on the "N" line have been for some time and are now higher than those formerly charged on the Seventh Street rail line of Interurban, being 30 cents one way, and \$7.75 for a monthly commutation ticket, as compared with 21 cents and \$6.50, respectively. Either one of these fare combinations will be available to former patrons of the Seventh Street line under the plan proposed in Exhibit No. 70. A faster, more convenient service will be provided on the through motor coach line than will be afforded by the combination of local motor coach and transbay rail lines.

The plan recommended in Exhibit No. 70 provided service to the Sheffield Village district by extension of Transit Company's motor coach line No. 55 to more nearly reach the center of the area, thereby affording direct service to the business section of San Leandro and transfer connections to local lines of Transit Company operating into downtown Oakland.

At the hearing in Oakland on March 24, 1941, applicant expressed willingness to accept the plan recommended by the Commission's engineers, provided that abandoned tracks of Interurban between Melrose and Havenscourt could be made available for the extension of transbay rail service, that discontinuance of rail service on East 14th Street beyond Melrose would not carry with it a forfeiture of right to re-establish such operation if future conditions warranted, and that through local motor coach operation between Oakland and Sheffield Village be allowed to continue.

No opposition to the plan was offered by the City of Oakland, except as to the discontinuance of transbay rail service along East 14th Street between Melrose and 105th Avenue. The City Attorney of Oakland expressed an urgent desire that the recommended plan of rail service between Melrose and Havenscourt be carried out, and stated that the city would endeavor to take possession of the tracks and facilities abandoned by Interurban in order that they might be made available to Key System.

At the hearing in San Leandro on March 28, 1941, many personal protests were made by patrons of the former Interurban Seventh Street line and by civic groups against the service and fares now in effect, and against certain features of fares and service proposed by the Commission's engineers. Improper connection of local lines with transbay lines, overloading of transbay motor

coach and rail lines of Key System, and excessive walking distances were complained of as having been brought about by abandonment of the Seventh Street line. A plea was made for the extension of the free transfer privilege to the transbay motor coach lines.

Review of the record in these proceedings indicates the superiority of the plan of service recommended by the Commission's staff over that now in effect and, with minor exceptions, it should be placed in effect.

There appears to be no way in which Key System could take over the patronage of the Seventh Street line of Interurban and continue to provide the same standard of service at the existing fare structure without also incurring a deficit comparable to that which forced Interurban to withdraw from the field. In order that the highest standard of service be performed by Key System in the East Oakland-San Leandro area, every attempt must be made to eliminate unnecessary duplication of facilities and service, and to recombine the existing facilities of Key System and those abandoned by Interurban so as to economically justify the service. The area between Melrose and Havenscourt along the Seventh Street rail line contributes most heavily to the total patronage of that line, and the continued operation of a shuttle motor coach service connecting with the transbay rail line at East 14th Street is entirely contrary to reasonable standards of operation, and should not be continued when facilities are already in place that will provide the class of service justified by the traffic volume.

There is a distance of only 1.74 miles between Melrose and Havenscourt Stations on the former Seventh Street line of Interurban, and in that distance, which is only 13.7 per cent of the pickup route mileage, about 26 per cent of the total patronage originates, indicating a pickup per mile of 909 passengers as com-

(6)
pared with only 527 for the entire pickup portion of the route. That concentration of patronage justifies through rail service in this instance where abandoned tracks are in place and can be made available for use of Key System,

Beyond Havenscourt to Dowling on the former Seventh Street line, freight operations are conducted by Southern Pacific Company, who owns the tracks and facilities. Due to the terms of an agreement between Southern Pacific Company and its employees, so long as that carrier conducts its freight business over those tracks, Key System, or any other operator, is precluded from using the tracks except under conditions that prohibit satisfactory operations. About 23.8 per cent of the passengers handled by the Seventh Street line were destined to points beyond Havenscourt. Of that group more than 76 per cent were destined to the three stations immediately beyond Havenscourt and the last three stations on the line. If it were possible to obtain use of the tracks beyond Havenscourt to 82nd Avenue, rail operation to that station might be advisable.

In the absence of satisfactory paved streets along the route of the former rail line, substitute motor coach service along the route prescribed by Exhibit No. 70 appears to be necessary. That routing will provide service along the same street as the former rail line from 106th Avenue to Dutton Avenue. Of the passengers traveling beyond Havenscourt about 41 per cent alight east of 106th Avenue. Passengers destined to points intermediate to Havenscourt and 106th Avenue will not be afforded the same standard of service as previously enjoyed, but there appears to be no alternative. It is urged upon the substituting carrier that

(6) Excluding the mileage across the bridge and through the bridge yards.

every reasonable effort be exerted to provide local service between Havenscourt and points beyond that will accommodate the traffic without unnecessary overloading of equipment, and that will, within practical limits, make direct connections with the transbay trains at Havenscourt.

The record indicates that transbay rail service on East 14th Street beyond Melrose is not justified under prevailing conditions and should be discontinued upon extension of the rail line to Havenscourt. Local rail and motor coach lines are available along East 14th Street with free transfer to the transbay rail line at Melrose. In addition, the re-routing of Key System's transbay motor coach Line "R" to operate along East 14th Street will provide a direct through service to San Francisco.

During the process of transbay passenger transportation adjustment, wherein motor coaches have supplanted rail cars on certain lines in that service, inconsistencies in the fare structure have developed. It is recognized that a thorough study should be made of the transbay fares, but until all of the elements of cost and revenue, upon which reasonable fares must be based, are known, re-design of the fare structure must be deferred. Although the general plan relating to these substitution studies has been to restrict the free transfer from local lines of Transit Company to the rail lines of Key System, it appears that in the case of this East Oakland-San Leandro problem, where conditions beyond control prevent the establishment of the class of service desired, the blow would be lightened to some extent by extending the free transfer privilege to the two transbay motor coach Lines "N" and "R." Any inequalities that might be created by such action could be remedied at such time as the general fare structure is studied.

Through local service from downtown Oakland to Sheffield Village was established as part of the service plan placed in effect on March 22, 1941, and applicant expressed the desire that the line be allowed to continue in order to test the potentialities of the area. That request will be complied with pending a complete survey of the local lines of Transit Company under Case No. 4478.

It was recommended in the report of the Commission's staff that Decision No. 30245, dated October 18, 1937, which established the maximum length of Key System trains operating on 12th Street through the business district of Oakland as two articulated units, be modified to increase the maximum to three units. In accommodating the heavy traffic formerly handled by the Seventh Street line of Interurban, satisfactory operation of Key System's Twelfth Street Line "A" requires trains of greater length, and it appears that the limitation previously established should be changed.

The record indicates that the temporarily established, co-ordinated service of Key System and East Bay Transit Company placed in effect on March 22, 1941, should be superseded by the plan of operation recommended by the Commission's engineers, with minor modifications, and the changes necessary to accomplish that objective will be authorized by the following order.

THIRD INTERIM ORDER

Further public hearings having been hold in these consolidated matters relating to establishment by Key System and East Bay Transit Company of substitute passenger service for that formerly provided by the Seventh Street transbay rail line of Interurban Electric Railway Company between San Francisco and the East Oakland-San Leandro area, additional evidence having been adduced, the Commission being fully apprised in the premises, and it being found as a fact that public convenience and necessity so require:

I.

IT IS HEREBY ORDERED that a certificate be and it is hereby granted to Key System for the operation of an automotive passenger stage service, as that term is defined in Section 2 $\frac{1}{2}$ of the Public Utilities Act, for the transportation of passengers between points in the City of Oakland, to be consolidated with the remainder of its operating rights, subject to the following conditions:

- (1) Written acceptance of the certificate herein granted shall be filed within a period not to exceed thirty (30) days from the date hereof.
- (2) Said service shall commence within a period not to exceed six (6) months from the effective date hereof.

II.

IT IS HEREBY FURTHER ORDERED that Key System shall perform the passenger stage service authorized under Section I above as an alternate route of its San Francisco-Hayward transbay motor coach line "R," said operation to be conducted in compliance with the following regulations.

- (1) Rates of fare, rules, and regulations now in effect on the transbay motor coach line "R" shall apply to the alternate route provided for herein.
- (2) Subject to the authority of this Commission to change or modify such at any time, Key System shall conduct said passenger stage operation in both directions over and along the following described route:

Diverging from the present route at the intersection of East 12th Street and Fruitvale Avenue, thence along East 12th Street to 14th Avenue, 14th Avenue to East 14th Street, and East 14th Street to 105th Avenue, converging at that point with the existing route.

III.

IT IS HEREBY FURTHER ORDERED that Key System be and it is hereby authorized to operate an electric railway for the transportation of passengers as an extension of its transbay Twelfth Street rail line "A," between East 14th Street and Havenscourt Boulevard over the tracks formerly used by Interurban Electric Railway Company, subject to the following conditions:

- (1) Said service shall commence within a period of not to exceed six (6) months from the effective date hereof.
- (2) Rates of fare, rules, and regulations applying to the existing motor coach operation between these points in coordination with transbay rail service shall apply to the extended rail service herein authorized.
- (3) Said operation shall not commence prior to the establishment of the necessary safety and signal devices in accordance with the General Orders of this Commission.

IV.

IT IS HEREBY FURTHER ORDERED that Key System be and it is hereby authorized to discontinue transbay passenger rail service, without forfeiture of operating rights, upon not less than one (1) day's notice to this Commission and the public, along East 14th

Street between the point of crossing of that street with the tracks of the former Seventh Street rail line of Interurban Electric Railway Company, and 105th Avenue, and to cancel in conformity with the rules of this Commission all passenger rates, tariffs and time schedules applicable thereto.

V.

IT IS HEREBY FURTHER ORDERED that a certificate be and it is hereby granted to East Bay Transit Company for the operation of an automotive passenger stage service, as that term is defined in Section 2 $\frac{1}{2}$ of the Public Utilities Act, for the transportation of passengers between points in the Cities of Oakland and San Leandro, to be consolidated with the remainder of its operating rights, subject to the following conditions:

- (1) Written acceptance of the certificate herein granted shall be filed within a period of not to exceed thirty (30) days from the date hereof.
- (2) Said service shall commence within a period not to exceed six (6) months from the effective date hereof.

VI.

IT IS HEREBY FURTHER ORDERED that East Bay Transit Company shall perform the passenger stage service authorized under Section V above in compliance with the following regulations:

- (1) Rates of fare, rules and regulations now in effect on the local rail and motor coach lines of East Bay Transit Company shall be applied to the lines authorized herein.
- (2) Subject to the authority of this Commission to change or modify such at any time by further order, East Bay Transit Company shall conduct said passenger stage operation over and along the following described route, as an extension of its motor coach line No. 41:

From its present terminus at 90th Avenue and Foothill Boulevard in Oakland, along Foothill and Holly-

wood Boulevards to 106th Avenue,
106th Avenue to Bancroft Avenue,
thence via Bancroft Avenue to
Estudillo Avenue in San Leandro,
returning via the reverse thereof.

- (3) During periods of heavy transbay commutation travel mornings and evenings, said motor coach line shall be routed via Havenscourt Station to afford direct connection with the Key System transbay rail line.
- (4) Said through motor coach operation between Oakland and San Leandro shall be supplemented by a short-line service between Havenscourt Station and Estudillo Avenue to be operated during periods of heavy transbay commutation travel mornings and evenings.
- (5) Said short-line service shall be designed to maintain direct meets with transbay trains at Havenscourt Station.

VII.

IT IS HEREBY FURTHER ORDERED that East Bay Transit Company be and it is hereby authorized to abandon passenger service, upon not less than one (1) day's notice to this Commission and the public on those lines and/or portions of lines traversing routes described below, and to cancel in conformity with the rules of this Commission all passenger rate tariffs and time schedules applying thereto.

No. 43 - 82nd Avenue Motor Coach Line

From the intersection of East 14th Street and 82nd Avenue, along 82nd Avenue to a terminus at Foothill Boulevard, and the reverse thereof, all situated in the City of Oakland.

No. 83 - Oakland-San Leandro Motor Coach Line

From the intersection of East 14th Street and 98th Avenue in Oakland, along 98th Avenue to Sunnyside Street, Sunnyside Street to 106th Avenue, 106th Avenue to Bancroft Avenue, Bancroft Avenue to Victoria Court, Victoria Court to Bancroft Avenue, Bancroft Avenue to Estudillo Avenue, Estudillo Avenue to Ward Street, thence via Ward Street to a terminus at Washington Street in San Leandro, and the reverse thereof.

VIII.

The Commission reserves the right to make such further orders in these proceedings as to it may seem just and reasonable and to revoke this authority, in whole or in part, if in its opinion public convenience and necessity demand such action.

IX.

IT IS HEREBY FURTHER ORDERED that this Commission's Decision No. 30245, dated October 18, 1937, restricting the consist of Key System transbay trains operating along 12th Street in Oakland to two articulated units, be modified to allow for the operation of three-unit trains.

X.

The foregoing Third Interim Opinion and Third Interim Order are hereby approved and ordered filed as the Third Interim Opinion and Third Interim Order of the Railroad Commission of the State of California.

For all other purposes the effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 11th day of April, 1941.

W. B. Kelly
W. B. Kelly
Justin J. Casner
Francis X. Havens
(COMMISSIONERS)