

ORIGINAL

Decision No. 34589

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

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

RILEY, COMMISSIONER:

FOURTH INTERIM OPINION

This opinion and the order to follow are confined only to those phases of the above numbered proceedings (involving transbay interurban passenger service between San Francisco and the East Bay area tributary to the Shattuck Avenue and Ninth Street rail lines of Interurban Electric Railway Company, <sup>(1)</sup> and the Berkeley Adeline Street and Sacramento Street rail lines of Key System, <sup>et al.</sup> together with <sup>(2)</sup> the local rail and motor coach lines of East Bay Transit Company operating in the same territory.

On February 20, 1940, Interurban requested authority to

(1) Hereinafter sometimes referred to as Interurban.

(2) Hereinafter sometimes referred to as Transit Company.

discontinue all passenger service on its electrified rail lines operating between San Francisco and the East Bay cities. <sup>(3)</sup> On that same date Key System sought authority to expand its transbay rail and motor coach lines <sup>(4)</sup> into the Interurban territory in substitution for the service then performed by that carrier. On January 16, 1940, prior to the filing of the above mentioned applications, an investigation was instituted upon the Commission's own motion <sup>(5)</sup> into all phases of operation of the two transbay operators, Interurban and Key System, and Transit Company, a Key System affiliate providing urban rail and motor coach service in the East Bay area.

On August 24, 1940, the Railroad Commission authorized <sup>(6)</sup> Interurban to discontinue all of its transbay passenger service upon the condition that no part of said abandonment should become effective until some form of substitute service satisfactory to the Commission should be provided to the areas that would otherwise be left without transportation facilities.

Subsequently, by interim orders, <sup>(7)</sup> Interurban has been authorized to discontinue passenger operations on its Encinal and Lincoln Avenue lines serving Alameda, and its Seventh Street line serving East Oakland and San Leandro.

In addition to the authorization granted Interurban by the California Railroad Commission to discontinue all of its transbay interurban rail passenger service, as set forth in Decision No. 33445, dated August 24, 1940, unconditional authorization has also

---

(3) Application No. 23312.

(4) Application No. 23313.

(5) Case No. 4478.

(6) Decision No. 33445.

(7) Alameda lines Decision No. 33732, dated December 17, 1940; 7th Street line Decision No. 33891, dated February 11, 1941, later modified by Decision No. 34060, dated April 1, 1941.

been received from the Interstate Commerce Commission for such discontinuance of operations, concurrently with authorization granted to Southern Pacific Company to abandon those tracks and facilities used exclusively by Interurban in the conduct of its passenger business.

Heavy financial losses incurred by Interurban since inauguration of transbay rail operation over the San Francisco-Oakland Bay Bridge has resulted in the application of that carrier for authority to discontinue operations as the only practical source of relief, and it has been necessary in formulating a plan of substitute service for the entire area to treat separately each of the lines involved as the individual studies made by Key System and the Commission's engineers were completed and the results made available. Although possessed of authority to discontinue service at any time subsequent to the effective date of the Interstate Commerce Commission's order so authorizing, Interurban has chosen to continue operations despite persistent financial losses, pending the development of a satisfactory substitute service, with the understanding that all parties in interest would make every effort to expedite the procedure.

On June 26, 1941, a letter was addressed to Key System by Interurban, copies of which were transmitted to this Commission, expressing unwillingness to continue operations and notifying of intention to discontinue all remaining service on August 1, 1941.

The letter is quoted as follows:

"The Interurban Electric Railway Company sometime ago advised both the Railroad Commission and the Key System that it would be willing to keep its Berkeley lines in operation for an additional limited period of time so as to enable the Key System to secure the additional equipment necessary to handle the traffic now handled by the remaining lines of Interurban Electric, with a distinct

understanding, however, that all parties in interest would make every effort to arrange for such substitution of service at the earliest possible date.

"This situation cannot continue indefinitely. Manifestly, a reasonable time has already elapsed, and if your company intends to take care of the traffic now accommodated by the Berkeley lines of the Interurban Electric, arrangements should be perfected at once and the necessary authority secured from the Railroad Commission at the coming hearing, set for June 30th, without delay or continuance of any kind.

"Under these conditions, the Interurban Electric, having already secured the necessary authority therefor from the Interstate Commerce Commission, will not continue the operation of its Berkeley lines after August 1, 1941; and any service in substitution therefor should be established at or before that time."

For several months the Transportation Research Division of the Railroad Commission has been actively studying the problem and designing a plan of substitute service to be inaugurated by Koy System in lieu of that now provided by Interurban on its Shattuck Avenue and Ninth Street rail lines, but final recommendations will not be completed and ready for submission for approximately four weeks.

A hearing was held in these consolidated proceedings in Berkeley on June 30, 1941, at which time Koy System and Transit Company requested authority to establish a temporary plan of coordinated transbay and local rail and motor coach operation to meet the requirements of the area in substitution for the two Interurban rail lines. Inasmuch as the report of the Commission's staff has not yet been completed and the Commission is uninformed as to the final recommendations that will be contained therein, it is necessary that immediate action be taken to provide some form of substitute service during the interim that can be placed in effect prior to discontinuance of operations by Interurban on August 1, 1941.

The Shattuck Avenue and Ninth Street lines of Interurban

operate over joint track between the Bridge Railway Terminal in San Francisco and a point of junction in the City of Emeryville, after passing over the Bridge Railway, through the East Bay Yards, and over the 34th Street wye, all of which facilities west of that point are owned by the California Toll Bridge Authority. Between the wye and Ninth Street junction operations are over private right of way. From the junction the Shattuck Avenue line proceeds principally over open track in private right of way along Stanford Avenue and Adeline Street, through a portion of Emeryville and North Oakland to Berkeley, thence over private right of way along Adeline Street to Shattuck Avenue, and along Shattuck Avenue in paved-in right of way to Bancroft Avenue, thence in paved street along Shattuck Avenue to a point between Vine and Rose Street, thence over private right of way and paved street to a terminus at Thousand Oaks Station at Colusa Street and Solano Avenue in North Berkeley. Shattuck Avenue along which this line is routed is the principal business street of the City of Berkeley.

The Ninth Street line proceeds from the junction over private right of way and paved city streets through the industrial section of Emeryville and West Berkeley to Solano Avenue in Albany, thence along Solano Avenue to Thousand Oaks Station at Colusa Street in North Berkeley.

Koy System provides transbay rail service to an area contiguous to that served by the two Interurban lines, both its Adeline and Sacramento Street lines operating from the Bridge Railway Terminal in San Francisco over joint track with the Interurban rail lines over the bridge to the East Bay Yards, thence proceeding over separate facilities from that point into the service area. At its terminus in South Berkeley the Adeline Street line is situated parallel

and immediately adjacent to the Shattuck Avenue line of Interurban on Adeline Street at Alcatraz Avenue. The Sacramento Street line is located generally parallel to the main portion of the Shattuck Avenue line and the Ninth Street line, being situated approximately midway between them, and serving an area entirely residential in character. That line proceeds principally over private right of way through Berkeley, along Sacramento Street and Monterey Avenue to a terminus at Colusa Street in North Berkeley, situated approximately one-fourth mile south of the Thousand Oaks Station of the two Interurban lines.

It is the proposal of Key System to extend its Adeline Street line from its present terminus at Alcatraz Avenue, north along Adeline Street over a single track to a connection with existing Transit Company double tracks in Shattuck Avenue, thence parallel and immediately adjacent to Interurban tracks, to University Avenue beyond which Transit Company tracks do not extend. It is proposed to effect a motor coach connection at that point for the transportation of passengers destined to points beyond along the route of Interurban's rail line, said shuttle line to terminate at Northbrae station located at the intersection of Sutter and Hopkins Streets. Key System further proposes to discontinue rail operation on its Sacramento Street line and to substitute through motor coach operation along the same route except in so far as such is not possible by reason of private right of way in the North Oakland and Emeryville area. It is proposed to route the line west on Ashby Avenue to the East Shore Highway, thence along that thoroughfare and the Bay Bridge to a terminus in San Francisco at the Bridge Railway Terminal.

In substitution for Interurban's Ninth Street rail line Key System proposes to establish a through motor coach operation from

a point in the vicinity of the present Thousand Oaks station, west on Solano Avenue to San Pablo Avenue, south on San Pablo Avenue to Gilman Street, west on Gilman Street to Sixth Street, and south on Sixth and Seventh Streets through West Berkeley to Ashby Avenue, thence via Ashby Avenue, East Shore Highway, and Bay Bridge to the same terminus as proposed for the Sacramento Street line at the Bridge Railway Terminal in San Francisco.

It was proposed by Transit Company that certain changes be made in its local motor coach routes serving the same general territory served by the transbay lines in order that a more satisfactory coverage be provided and closer co-ordination effected between transbay and local operations, and to compensate for the discontinuance of rail service on the Westbrae branch of the Sacramento Street rail line which now connects with the Sacramento Street line at University Avenue.

The proposed schedules applicable to the several transbay lines generally provide an improvement over the existing operations and in no instance will headways or running time be in excess of those now in effect, except to points beyond University Avenue on the Shattuck Avenue line. The proposed operation is expected to require one minute longer to Northbrae than under present conditions. No change is proposed in the existing transbay or local fare structures of Key System and Transit Company except that the two carriers request authority to establish the so-called universal transfer between all lines of Transit Company and standard transbay lines of Key System, making it possible for transbay passengers to utilize the facilities of both carriers upon payment of a transbay fare. In its proposed motor coach operations Key System intends to use 41-passenger equipment similar in construction, design, and appointments

to equipment now used in transbay service on other lines.

Numerous exhibits were submitted by Key System showing existing traffic characteristics of the several transbay lines as presently operated and the estimated financial results that would accrue from inauguration of the proposed plan. Considering the three proposed transbay lines, namely, the Berkeley Shattuck Avenue Line "F," the Thousand Oaks-Solano Avenue Line "G," and the Berkeley Sacramento Street Line "H," it was estimated that Key System would receive an annual net income on the basis of present conditions of \$106,112. It is the proposal of Key System to discontinue rail operation on the Shattuck Avenue line after 7:00 p.m. on weekdays and on Sundays and holidays, and to provide through motor coach operation in lieu of the rail-motor coach combination. The Company does not, however, at this time propose to place such curtailment of service into effect on its remaining transbay rail lines.

Although the Cities of Berkeley and Albany officially did not vigorously protest the service proposed by Key System and Transit Company, except as to certain details, they did impress upon the Commission the urgency of developing a more satisfactory plan of operation on a permanent basis in lieu of the temporary plan now offered. Particularly, the City of Berkeley protested the discontinuance of rail operation on the Shattuck Avenue line beyond University Avenue, necessitating a transfer from the rail line to a shuttle motor coach, it being contended that such a type of service would be highly undesirable and the attendant traffic congestion and confusion unbearable as a permanent situation.

No objection was offered at the hearing to that feature of Key System's proposed plan wherein it is contemplated that rail service on the Shattuck Avenue line will be replaced by motor coach



operation after 7:00 p.m. on weekdays and on Sundays and holidays. It was indicated by Key System that such curtailment of rail service would result in substantial economies and an improved service to the public. The record does not contain, however, either sufficient evidence to indicate the nature of such expected economies, or detail to substantiate its magnitude. The degree of improvement in service was questioned by the Commission's Transportation Research Engineer who pointed out that the application of such procedure to the Oakland 12th Street rail line of Key System, as authorized by interim order in these proceedings, has resulted in appreciable and continued overloading of motor coaches during the night and Sunday operations.

Although Key System has been exempted from the overload provision prescribed by General Order No. 93-A, wherein this Commission prohibits the overloading of motor coaches in interurban service, that exemption was granted primarily in recognition of the investigation then and now in progress by the Commission's Engineering staff, wherein ultimately it is the intention to establish a definite classification for Key System motor coach operations. This exemption should not be construed, therefore, as a relinquishment on behalf of this Commission of its control of such matters, and it is urged upon Key System that every effort be exerted to provide a seat per passenger on its motor coaches operating in transbay service in substitution for rail operation at night and on Sundays and holidays, in so far as such can be accomplished within practical limits. Although it is recognized that some degree of overloading under abnormal conditions is unavoidable and in some instances perhaps justified during heavy traffic concentration periods, there is no justification under ordinary circumstances for continued overloading

during normal off-peak operations.

Even though the record does not conclusively show that appreciable economy will be forthcoming by reason of such curtailment of service at night and on Sundays and holidays, or that the proffered improvement of service during those periods when compared with the results experienced on the Oakland 12th Street line will be a certainty, no objections were offered by officials or individuals of the area involved; therefore, this phase of applicant's request will be granted upon the condition that every reasonable effort be exerted to provide a seat per passenger during such off-peak periods until such time as it shall be shown that such loading standard is not justified.

Analysis of the record thus far adduced in these proceedings indicates that in so far as the Berkeley area is concerned the plan offered by Key System and Transit Company represents the most workable program under the circumstances, and although possessing certain undesirable features, particularly as to the required transfer at University Avenue on the Shattuck Avenue line, there appears to be no alternative but to grant to applicants the operating rights requested on an interim basis, in order to ensure to the people of Berkeley and the surrounding communities some form of transbay passenger service in replacement of that of Interurban which is to be discontinued.

FOURTH INTERIM ORDER

Public hearing having been held in these consolidated matters relating to discontinuance of passenger service on the Shattuck Avenue and Ninth Street transbay rail lines of Interurban Electric Railway Company, Key System having offered a co-ordinated substitute service in conjunction with local service of East Bay Transit Company, that phase of these matters having been concluded, 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 San Francisco and Berkeley and intermediate points, 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.

II.

IT IS HEREBY FURTHER ORDERED that Key System shall operate the passenger stage service authorized under Section I above in compliance with the following regulations:

- (1) Rates of fare, rules and regulations in volume and effect shall be identical with those now in effect on the transbay rail lines of Key System, except as otherwise provided for herein.

- (2) Said service shall be commenced at such time as to meet the requirements of regular traffic on the morning following the last night schedules of Inter-urban Electric Railway Company on its Shattuck Avenue rail line and on its Ninth Street rail line.
- (3) Said service shall not be commenced prior to the establishment of joint fares that will permit free transfer in either direction between Berkeley Shattuck Avenue Line "F," Thousand Oaks-Solano Avenue Line "G," and Berkeley Sacramento Street Line "E" as herein authorized, and all lines of East Bay Transit Company intersecting therewith.
- (4) Subject to the authority of this Commission to change or modify such at any time Key System shall conduct said passenger stage operation over and along the following described routes

Berkeley Shattuck Avenue Line "F"

Commencing at the intersection of Sutter and Hopkins Streets in the City of Berkeley, thence along Sutter Street to Henry Street, Henry Street to Shattuck Avenue, Shattuck Avenue to Adeline Street, Adeline Street to Market Street, Market Street to the 38th Street bridge approach, thence along 38th Street bridge approach to the San Francisco-Oakland Bay Bridge, thence via the San Francisco-Oakland Bay Bridge to Harrison and Essex Streets in the City of San Francisco, thence along Essex Street to Folsom Street, Folsom Street to Fremont Street, Fremont Street to a terminus on Natoma Street between Fremont and First Streets; thence returning via Natoma Street to First Street, First Street to Folsom Street, thence via the reverse of the above described route.

Thousand Oaks-Solano Avenue Line "G"

Commencing at Marin Avenue and The Alameda in the City of Berkeley, along The Alameda to Solano Avenue, Solano Avenue to San Pablo Avenue, San Pablo Avenue to Gilman Street, Gilman Street to Sixth Street, Sixth Street to Dwight Way, Dwight Way to Seventh Street, Seventh Street to Ashby Avenue, Ashby Avenue to East Shore Highway, East Shore Highway via San Francisco-Oakland Bay Bridge to Harrison and Essex Streets in San Francisco, thence along Essex Street to Folsom Street, Folsom Street to Fremont Street, Fremont Street to a terminus on Natoma Street between Fremont and First Streets; thence returning via Natoma Street to First Street, First Street to Folsom Street, thence via the reverse of the above described route.

Berkeley Sacramento Street Line "H"

Commencing at Monterey Avenue and Colusa Avenue in the City of Berkeley, thence along Monterey Avenue to Hopkins Street, Hopkins Street to Sacramento Street, Sacramento Street to Ashby Avenue, Ashby Avenue to East Shore Highway, East Shore Highway via San Francisco-Oakland Bay Bridge to Harrison and Essex Streets in the City of San Francisco, thence along Essex Street to Folsom Street, Folsom Street to Fremont Street, Fremont Street to a terminus on Natoma Street between Fremont and First Streets, thence returning via Natoma Street to First Street, First Street to Folsom Street, thence via the reverse of the above described 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 existing Adeline Street rail line "F," from the intersection of Adeline Street and Alcatraz Avenue, along Adeline Street to Shattuck Avenue, Shattuck Avenue to Shattuck Avenue (East), and along Shattuck Avenue (East) to a terminus at University Avenue, all in the City of Berkeley, said service to be operated over tracks presently used by East Bay Transit Company along Shattuck Avenue between Adeline Street and University Avenue, and over tracks to be constructed by Key System between the end of the present rail line on Adeline Street in the vicinity of Alcatraz Avenue and a point of connection with East Bay Transit Company tracks at Shattuck Avenue, 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) Said service shall be commenced at such time as to meet the requirements of regular traffic on the morning following the last night schedule of Interurban Electric Railway Company on its Shattuck Avenue rail line.

- (3) Said service shall not be commenced prior to the establishment of joint fares that will permit free transfer in either direction between Berkeley Shattuck Avenue Line "F," Thousand Oaks-Solano Avenue Line "G," and Berkeley Sacramento Street Line "H" as herein authorized, and all lines of East Bay Transit Company intersecting therewith.
- (4) Rates of fare, rules and regulations in volume and effect shall be identical with those now in effect on the transbay rail lines of Key System, except as otherwise provided for herein.
- (5) Said service shall be placed in effect concurrently with a connecting motor coach line to operate between the intersection of Hopkins and Sutter Streets and a point of connection with the Shattuck Avenue rail line at University Avenue as authorized under Section I above.

IV.

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 within and between the Cities of Albany, Berkeley, and Oakland, 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 of not to exceed six (6) months from the effective date hereof.
- (3) Said service shall commence concurrently with the service of Key System as authorized herein.

V.

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

- (1) Rates of fare, rules and regulations in volume and effect shall be identical with those now in effect on the local rail and motor coach lines of East Bay Transit Company, except as otherwise provided for herein.
- (2) Subject to the authority of this Commission to change or modify such at any time East Bay Transit Company shall conduct said passenger stage operations over and along the following described route:

Commencing at the intersection of Portland and San Pablo Avenues in the City of Albany, thence along Portland Avenue to Santa Fe Avenue, along Santa Fe Avenue to Gilman Street, along Gilman Street to Curtis Street, along Curtis Street to Rose Street, along Rose Street to Chestnut Street, along Chestnut Street to Virginia Street, along Virginia Street to Sacramento Street, along Sacramento Street to Alcatraz Avenue, along Alcatraz Avenue to Adeline Street, along Adeline Street to Market Street, along Market Street to 16th Street, along 16th Street to San Pablo Avenue, along San Pablo Avenue to Washington Street, along Washington Street to 10th Street, in the City of Oakland, returning via 10th Street to Clay Street, along Clay Street to 16th Street and thence over the same route to point of beginning.

VI.

IT IS HEREBY FURTHER ORDERED that East Bay Transit Company be and it is hereby authorized to abandon passenger service upon not less than five (5) days' notice to this Commission and the public on that portion of its No. 76 Portland-Santa Fe Avenue motor coach line, commencing at the intersection of Gilman and Curtis Streets, thence along Gilman Street to Hopkins Street, and along Hopkins Street to Sacramento Street, and to cancel in conformity with the rules of this Commission all passenger rate tariffs and time schedules in so far as they apply thereto, provided that said abandonment shall not be made prior to establishment of the passenger stage service authorized under Section V hereof.

VII.

IT IS HEREBY FURTHER ORDERED that Interurban Electric Railway Company be and it is hereby authorized to discontinue passenger rail service on its Shattuck Avenue and Ninth Street rail lines operating between San Francisco and Thousand Oaks station in Berkeley, upon not less than five (5) days' notice to this Commission and the public, and to cancel in conformity with the rules of this Commission all passenger rate tariffs and time schedules applicable thereto, subject to the following conditions:

- (1) That abandonment of service on the Shattuck Avenue rail line as authorized herein, and establishment of the Berkeley Shattuck Avenue Line "F" by Key System as authorized under Sections II and III hereof, shall be timed so as to result in no cessation of regular transbay service between San Francisco and Northbrae station in Berkeley.
- (2) That abandonment of service on the Ninth Street rail line as authorized herein and establishment of the Thousand Oaks-Solano Avenue Line "G" by Key System as authorized under Section II hereof, shall be timed so as to result in no cessation of regular transbay service between San Francisco and Thousand Oaks station in Berkeley.

VIII.

IT IS HEREBY FURTHER ORDERED that Key System be and it is hereby authorized to discontinue passenger service on its rail lines as follows:

- (a) Berkeley Sacramento Street Rail Line "H" between the Bridge Railway Terminal in San Francisco and Monterey station in Berkeley; and
- (b) Westbrae Shuttle Rail Line "G" operating between a point of connection with the Sacramento Street Rail Line "E" in the vicinity of University Avenue in Berkeley, and the end of the line located in the vicinity of Santa Fe Avenue;

upon not less than five (5) days' notice to this Commission and the public, and to cancel in conformity with the rules of this Commission all passenger rate tariffs and time schedules in so far as such may be necessary.



IX.

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

X.

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

For all other purposes the effective date of this order shall be ten (10) days from the date hereof.

Dated at San Francisco, California, this 3<sup>rd</sup> day of July, 1941.

[Signature]  
Ray C. Riley  
Justice J. C. [Signature]  
James R. [Signature]  
[Signature]  
Commissioners.