

Decision No. 37340**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of California Street Cable Railroad Company for an order of the Railroad Commission of the State of California authorizing increases in fares.))))))	Application No. 24486 Third Supplemental
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ORRICK, DAHLQUIST, NEFF, BROWN & HERRINGTON, by
HILLYER BROWN, for Applicant

JOHN J. O'TOOLE, City Attorney, DION R. HOLM,
Assistant City Attorney, PAUL BECK, Valua-
tion Engineer, for the City and County of
San Francisco

IVORES R. DAINS, for Market Street Railway
Company, interested party.

SACHSE and CLARK, COMMISSIONERS:

FIFTH SUPPLEMENTAL OPINION AND ORDER

By its third supplemental application in this proceeding, filed August 4, 1944, California Street Cable Railroad Company seeks authority to increase its fare from 6¢ to 7¢ upon consolidation of the Municipal and Market Street Railway lines, subject to the establishment of a universal transfer privilege between the lines of applicant and those of the consolidated Municipal system. The history of the present proceeding to date is reviewed briefly in the margin.¹

¹Applicant on September 30, 1941 filed a petition seeking permission to increase its basic fare from 5¢ to 7¢. After several hearings the Commission, on September 5, 1942 issued Decision No. 35753 authorizing the fare increase sought, conditioned upon the establishment of a universal transfer privilege between the lines of applicant, Municipal Railway, and Market Street Railway Company. Unable to negotiate a universal transfer, applicant proposed a less extensive transfer arrangement. By Decision No. 35987 the Commission authorized a fare increase from 5¢ to 6¢ and the establishment of this limited transfer arrangement, these becoming effective December 1, 1942.

On May 28, 1943 applicant filed a supplemental petition seeking reduction of the transfer privileges to the few points where transferring was permitted prior to December 1, 1942, because of adverse conditions and loss of revenue developing from the limited transfer arrangement. The application was granted by Decision No. 36507, effective August 9, 1943, which left the 6¢ fare unchanged.

Appended to the third supplemental petition is a letter dated August 1, 1944 from Mr. E. G. Cahill, manager of San Francisco's public utilities, agreeing to the establishment of a universal transfer between California Cable and the consolidated Municipal lines, provided the Cable Company's fare "is changed to conform to the fare to be established by the Municipal lines after the consolidation."²

A public hearing was held in San Francisco on September 7, 1944 at which applicant introduced evidence as to the changed conditions which have developed since the prior hearings in this proceeding and the desirability of a universal transfer arrangement. Mr. S. Waldo Coleman, applicant's president, testified that conditions which rendered the former transfer plan disadvantageous to his company will change with the Municipal-Market Street consolidation and that he anticipates there would be some increase in the Cable Company's revenue with a city-wide 7¢ fare and universal transfer.

The record shows that the service rendered by applicant is inadequate and should be improved even under present wartime conditions. The amount of service is limited by lack of manpower rather than by lack of equipment. The company has a number of cars which are out of service for want of operators. These cars are in operating condition and could provide needed service. Every reasonable effort should be made to secure the necessary manpower to put these idle

1 (Cont'd)

On October 30, 1943 a second supplemental petition was filed seeking a fare increase from 6¢ to 7¢ without any extension of transfer privileges. On June 28, 1944 the Commission denied this increase (Decision No. 37167). This order was suspended by applicant's petition for rehearing; oral argument was granted; and at applicant's request the matter has now been temporarily removed from the calendar. When the Commission set down the third supplemental application for hearing it reopened the second supplemental application to determine whether Decision No. 37167 should be rescinded, altered, or amended.

²It is planned that the City and County of San Francisco will acquire the Market Street Railway lines on September 29, 1944 and thereafter operate the Municipal and Market Street lines as a consolidated system with a 7¢ fare.

cars in operation and to provide the best possible service to meet the increases in traffic which undoubtedly will result from the establishment of a universal transfer.

After considering carefully the various factors involved we are of the opinion that it is in the public interest to grant the fare increase sought, subject to the establishment of a city-wide universal transfer. Such fare increase is also predicated upon an actual and measurable improvement in applicant's service, with the understanding that if there is no substantial improvement the matter will be reopened upon the Commission's own initiative.

Under the circumstances Decision No. 37167 will be rescinded and the second supplemental application dismissed.

O R D E R

California Street Cable Railroad Company having filed application requesting authority to increase its fares, public hearings having been held, the Commission being apprised of the facts, and the matter being under submission and ready for decision,

IT IS HEREBY ORDERED that California Street Cable Railroad Company be and it is hereby authorized to establish, in accordance with the rules of the Commission, upon not less than one (1) day's notice to this Commission and the public, fares for the transportation of passengers between points in San Francisco as follows:

Adult fare	7¢ cash and
	7¢ token or ticket
School children up to 18 years of age.	16 rides for 50¢

subject to the condition that a universal transfer be established between applicant's lines and those of the consolidated Municipal system which will enable a patron to travel between any two points in San Francisco upon payment of a single fare, with appropriate restrictions to prevent round-trip riding.

California Street Cable Railroad Company is directed to file with the Commission monthly reports of operating results. Should there be no substantial improvement in service after a reasonable period of time the Commission reserves the right to reopen this proceeding upon its own initiative.

IT IS FURTHER ORDERED that Decision No. 37167 be and it is hereby rescinded and the second supplemental application dismissed.

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

This order shall become effective immediately.

Dated at San Francisco, California, this 26th day of September, 1944.

Justin F. Craven
Francis D. Havenner
George W. Brown
Walter H. Lane

COMMISSIONERS