

ORIGINAL

Decision No. 39423

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

MILTON MAXWELL NEWMARK,
 vs. Complainant,
 KEY SYSTEM,
 Defendant.

Case No. 4844

MILTON MAXWELL NEWMARK, For Complainant

DONAHUE, RICHARDS & HAMLIN, by Frank S. Richards,
for Defendant.

O P I N I O N

This complaint is based upon the fact that the only commute fare now offered by the Key System provides for one round trip each day of the calendar month and it is alleged that many of this carrier's patrons now have need for such services only five days a week; furthermore, the demand for a 5-day week commute is growing, particularly as a result of a continuing reduction in the number of working hours by residents of the East Bay who are employed in San Francisco. Complainant, therefore, requests the Commission to direct Key System to establish a fare which will provide for fifty single undated trips to be sold for \$5.50.

A public hearing was conducted in this matter by Examiner Hunter, at San Francisco, September 18, and it is now ready for decision.

The complainant reiterated the allegation in the complaint that he and many others have use for Key System's

commute service only five days a week but, under the present fare structure, are required to purchase transportation covering a round trip a day throughout the week. As a result of this situation the passenger is dissatisfied in that he feels he is required to purchase transportation for which he has no use.

A witness for the company testified that it recognized the present trend in employment to five days a week and that it was giving serious consideration to the establishment of a fare to provide for this class of traffic. However, at this time, it could not agree to any reduced fares due to the serious financial position the company is now facing as a result of increased labor and material cost. Another witness for the company testified that to place complainant's requested fare into effect would result in a decrease in commutation revenue of \$637,558 a year. This estimate does not provide for any allowance for diversion from cash fare to the reduced commute fare which the witness testified would undoubtedly follow.

After witness for defendant testified that it was the company's plan to give consideration to the matter of establishing a fare to provide for a 5-day week commute, in the reasonably near future, the complainant stated that he was willing to request dismissal of his complaint if the company would assure him definitely that such a fare would be placed into effect in the near future. To this request the company's representative assured him that, assuming it was authorized to increase its fares as applied for in Application No. 27595, the Key System would offer a 5-day-a-week commute subject to the Commission's approval as soon as it had an opportunity to study the effect of the increased fares and complete a study of the matter. With

this assurance on the part of the company, complainant asked
(1)
that his complaint be dismissed. Accordingly, the complaint
will be dismissed and the following order will so provide.

O R D E R

Good cause appearing, IT IS ORDERED that the above-
entitled case be and it hereby is dismissed.

(1) From Transcript, pp 17 and 18.

Mr. Newmark: Are you offering to inaugurate the system after
the conclusion of the study?

Mr. Richards: In some form. Is that correct, Mr. Teasdel?
You can answer that.

Mr. Teasdel: That is correct. The intention is to recognize
this problem you have, Mr. Newmark, and to do
something about it. That was the intent of this
testimony, not only for an immediate study, but
to do something about it and work out whatever
is the best solution for these many problems
that recognizes a lower price for some sort of
commute book that recognizes the 5-day versus
an unlimited use.

Mr. Newmark: See if I understand that. By the use of the
words "study to inaugurate" do you mean that as
soon as the rate increase is granted that the
Key System will study and will inaugurate a
50-trip, or some such type of commutation book?

Mr. Teasdel: That is correct. Of course, contingent upon
approval by the California Railroad Commission.

Mr. Newmark: In other words, let's see if I have got it right.
In other words, the condition precedent upon the
obtaining the rate increase the Key System pledges
itself to put in effect this type of commute book,
or at least to apply for it?

Mr. Richards: When you say "this type" a type which will best
suit the needs of the public as represented by
you and the people who travel less than 30 days
a month, or whatever it is.

Mr. Newmark: Upon that statement I will move that the complaint
be dismissed.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 24th day of September, 1946..

Harold P. Kuls

Justin F. Coenen

Scott Powell

A. E. Dinkman

COMMISSIONERS