

Decision No. 40642

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of Coggeshall Launch Company for ) Application No. 28537  
authority to increase rates. )

Appearance

Kenneth D. Sevier, for applicant.

O P I N I O N

ORIGINAL

By this application, Coggeshall Launch Company seeks authority to increase its one-way and round-trip passenger fares between Eureka and Samoa from 10 and 20 cents to 15 and 25 cents respectively, and to cancel a monthly commutation fare between Eureka and Samoa and Fairhaven of \$3.00.

A public hearing was held before Examiner Bradshaw at Eureka on August 13, 1947.

Applicant is a common carrier by vessel, transporting passengers and property between points on Humboldt Bay. It is also engaged in towing and in the chartering of vessels. According to the record, applicant's revenue during the year 1946 amounted to \$19,864.58, while its operating expenses were \$21,247.89. Traffic during that year, however, was unusually light because the lumber mill at Samoa was shut down for a considerable period due to a strike. The testimony also indicates that for the four months ended April 30, 1947, revenues and operating expenses were \$7,586.91 and \$9,061.80, respectively. Of the total revenues, approximately \$9,200.00 during the year 1946 and \$3,475.00 during the first four months of 1947 were derived from scheduled passenger

service, principally between Eureka and Samoa.

Although no segregation was made of applicant's expenses as between those chargeable to the passenger and other operations, its president estimated that at least two-thirds of the expense should be allocated to passenger transportation. In support of such an allocation, he stated that three and sometimes a greater number of vessels are used in passenger service, whereas only one boat is engaged in freight and towing operations. On this basis, the operating loss attributable to passenger traffic would be approximately \$4,965 for the year 1946 and \$2,566 for the period January through April of 1947.

Applicant's president testified that an increase in revenue was essential to continued operations and that the proposed increased fares would produce approximately \$200 additional revenue per month. It was also asserted that applicant is faced with the necessity of making substantial expenditures within the near future for repairs to its wharf at Eureka and to one of its vessels.

The reason given for the desire to cancel applicant's monthly commutation fare was that purchasers frequently permit others to use their tickets on days when they are not working and that applicant wants to bring about the discontinuance of this practice. The revenue received from the sale of these tickets during the first four months of the year amounted to \$168. The number sold during the present month was 43. Existing 20 and 45-ride commutation books<sup>1</sup> will be available in the event the monthly fares are canceled.

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<sup>1</sup> Twenty-ride commutation fares are in effect between Eureka and Samoa and Fairhaven equivalent to 8.25 and 10 cents per ride, respectively. A 45-ride commutation fare equivalent to 6.6 cents per ride is in effect between Eureka and Samoa.

No one opposed the granting of the application.

The record definitely establishes the necessity for an increase in applicant's passenger fares. It is also clear that the sought increases will be no greater than necessary to permit applicant to overcome its losses from operations.

Upon careful consideration of all of the facts and circumstances of record in this proceeding, the Commission is of the opinion and finds (1) that an increase in applicant's present one-way fare of 10 cents and round-trip fare of 20 cents between Eureka and Samoa to 15 cents and 25 cents respectively, and (2) that the cancelation of its existing monthly commutation fare of \$3.00 between Eureka and Samoa and Fairhaven, are justified.

O R D E R

A public hearing having been had in the above entitled application, and based upon the evidence received and upon the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that Coggeshall Launch Company, a corporation, be and it is hereby authorized (1) to increase its one-way fare of 10 cents and round-trip fare of 20 cents, between Eureka and Samoa, to 15 cents and 25 cents respectively, and (2) to cancel its present monthly commutation fare of \$3.00 between Eureka and Samoa and Fairhaven; and that the changes in fares herein authorized may be established on not less than five (5) days' notice to the Commission and to the public.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall be void unless changes in fares authorized in this

order are published, filed and made effective within sixty (60) days from the effective date hereof.

The effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 26<sup>th</sup> day of August, 1947.

Harold P. Kula  
Justin F. Galloway  
Wesley R. Rouse  
R. J. D. [unclear]  
Kenneth H. Dutton  
Commissioners