

## ORIGINAL

Decision No. 45048

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 LOS ANGELES TRANSIT LINES, a corpora- )  
 tion, and PACIFIC ELECTRIC RAILWAY )  
 COMPANY, a corporation, for authority )  
 to adjust fare-zone limits and adjust )  
 and increase certain rates. )

Application No. 31599

Gibson, Dunn & Crutcher, by Max Eddy Utt, for Los Angeles Transit Lines. C. W. Cornell and E. D. Yeomans, by E. D. Yeomans, for Pacific Electric Railway Company. R. L. Baker; Barbara Lucille Como; Nat P. Corner, for Independent Progressive Party; Ethel A. Dunn; Mrs. Tassia Freed, for Independent Progressive Party; Mrs. Pearl I. Johnson; Mrs. Delena T. McCloster; Russell K. Mawson; Stephen Skelskey; Fred Stabenhorst, Sr.; Charles Thorpe, for Woodbury College Association Student Body; Jacob Weinberg; J. Howard Sullivan, Special Counsel for City of Huntington Park; protestants. Roger Arnebergh, for City of Los Angeles, K Charles Bean, T. M. Chubb and R. W. Russell, Sr., for Department of Public Utilities and Transportation of the City of Los Angeles, John H. Lauten, for City of Glendale, Christopher J. Griffin, for City of Huntington Park, Don L. Campbell and Rodney F. Williams, for Asbury Rapid Transit System, H. W. Wilkins, for Brotherhood of Railroad Trainmen, Mark F. Coleman, James L. Friley, for Huntington Park Democratic Club, Miss Elizabeth M. Goerzen; Mrs. Iola W. Greene; Lazear Israel; Thomas Matthews, for East Los Angeles Jr. College; John F. Morrow; E. L. Parker; Irving Rael; Mrs. N. W. Rice; Marion Riddle, George S. Rodd, interested parties.

## O P I N I O N

The Los Angeles Transit Lines requests authority herein to effect an immediate adjustment of fare-zone limits on its system, to discontinue its present \$1.75 weekly pass, and to discontinue commutation fares now in effect on the Olympic Motor Coach Line. The Pacific Electric Railway Company requests authority to make such corresponding changes on its local lines

as are necessary to preserve a uniform fare structure for both applicants. Neither applicant is seeking a change in the present base fares of ten cents for intrazone travel and five cents for each additional zone.

Both applicant companies now have an inner zone encompassing an area of approximately six miles in radius from the central downtown business district of Los Angeles. Around this zone are second and third zones approximately two to three miles in width. It is proposed to reduce the limits of this inner zone to a radius of approximately four miles from the central downtown business district, and to provide subsequent zones of approximately two miles in width surrounding the inner zone. The application requests that the above-outlined changes be made immediately, and that such additional changes or relief be authorized as further study shows to be justified.

Public hearings were held in Los Angeles before Commissioner Potter and Examiner Syphers on August 16, October 4 and 5, 1950. On the last-named date the matter was submitted.

At the hearing, testimony was presented by the Director of Planning for the Los Angeles Transit Lines to the effect that the two most important reasons for requesting an immediate increase in fares are (1) increasing costs of providing service coupled with a continued down trend in patronage and (2) an expansion of the five-day work week, together with changes in community development, such as shifts in population. Among the factors contributing to increased cost of providing service is, according to this witness, increased cost of labor. He pointed out that the company has recently entered into a wage contract providing for a five-cent-per-hour increase in the basic wage

rate, effective June 1, 1950, and an additional three-cent-per-hour increase to become effective June 1, 1951. Likewise, there was a wage increase of four cents per hour in June 1949, which was subsequent to the establishment of the present fares of the Los Angeles Transit Lines. Other testimony was presented showing increases in the cost of maintenance and operation of equipment.

Exhibit 1, presented by this witness, sets out the basic case for Los Angeles Transit Lines, and includes data as to the proposed zone changes and the fares to be applied thereto, as well as estimates of operating revenue to be derived therefrom. The exhibit also shows tables indicating increased maintenance and operating expenses, and in addition, charts are presented showing the decline in trend of patronage. Page 12 of Exhibit 1 presents such a chart for the period from June 5, 1949, to May 28, 1950, and Exhibit 2 presents a chart showing the same material for the period from June 5, 1949, to July 22, 1950. An analysis of these charts indicates an obvious downward trend in patronage at the rate of 9.2 percent per annum. For the week of June 5, 1949, the revenues amounted to approximately \$466,000, while for the week of July 22, 1950, the revenues were slightly less than \$415,000.

As to passes, the testimony shows that they presently are restricted to use in the inner zone of the Los Angeles Transit Lines, and are not used on routes of the Los Angeles Motor Coach Lines Division nor on the lines of the Pacific Electric Railway. The use of this weekly pass has been declining at a rate of approximately 20.3 percent per annum. In November, 1949, 23,958 inner-zone weekly passes were sold the week following the last fare change. At the present time the number of passes sold is less than 12,000 per week. It was pointed out that the

printing of these passes has become a considerable problem involving an expense of between \$20,000 and \$25,000 per year. It is necessary to print and place in the hands of operators almost four times as many passes as are sold each week. The company's witness alleged that the pass has become a means of fare evasion resulting from illegal sale of weekly pass forms, and from attempts of more than one person to use the same pass on the same vehicle. Testimony was also presented that the average pass was used 37 to 38 times per week. This results in an average fare for pass users of about one-half of that required to be paid by other patrons who are not in a position to use the pass. Such a situation is unjust and unreasonable, particularly in view of the fact that the patrons who do not use passes are now being asked to assume the burden of providing additional revenue.

The commutation fare in question is now used only on the Olympic Boulevard Motor Coach Line of the Los Angeles Transit Lines. Under this fare a 30-ride book is available for \$5.40, and the tickets are good between the inner zone and the present zone 4. No transfer privileges are allowed. The number of such books sold is extremely small, averaging less than five books per month. Under the proposal, the cash fare for a single ride would be twenty cents.

The Passenger Traffic Manager for the Pacific Electric Railway testified that the changes proposed herein, insofar as Pacific Electric Railway is concerned, are changes which will tend to preserve the uniform fare structure of both applicants. These changes affect only the local service in Los Angeles, and no change is requested as to fares between downtown Los Angeles and communities outside of the Los Angeles local service area.

Another witness for Pacific Electric Railway Company presented exhibits showing the estimated results of operation under present and proposed fares, and also testimony showing that the revenue trend for this company has been steadily declining. The record reveals that operating results for the current year on Los Angeles Transit Lines, the principal applicant herein, are as follows:

LOS ANGELES TRANSIT LINES, INC.

Results of Operation for Year 1950.

	Book Record 1st 6-mo 1950 (Staff Ex. 9)	Estimated 2nd 6-mo 1950 (Company Ex 1)	1st 1/2 Actual 2nd 1/2 Est. Estimated Year 1950
Operating Revenue	\$11,069,906	\$10,966,438	\$22,036,344
Operating Expenses (Incl. Oper. Taxes and Depreciation)	10,655,582	\$10,845,450	\$21,501,032
Operating Income	\$ 414,324	\$ 120,988	\$ 535,312
Income Taxes (Federal Corporation 38%)			\$ 203,418
Net Income - Estimated			\$ 331,894
Estimated Rate Base (From Ex. No. 11)			\$23,950,000
Estimated Return for Year 1950			1.4%
Operating Ratio (Before Income Taxes)			98%

Financial data as to results of operations under present and proposed fares was likewise presented by a representative of the Commission's staff. For comparative purposes there are set out in the following tables comparisons of the data presented by the witnesses for applicants herein and the witness for the Commission's staff. The resulting increases in gross revenue from the proposed rezoning amount to about 7.5% and 8% respectively.

LOS ANGELES TRANSIT LINESEstimated Results of Operation  
Expressed in Thousands of Dollars  
For Year 1951

	<u>Applicant</u> <u>Exhibit No. 1</u>		<u>Commission Staff</u> <u>Exhibit No. 11</u>	
	<u>Fare</u> <u>Present</u>	<u>Structure</u> <u>Proposed</u>	<u>Fare</u> <u>Present</u>	<u>Structure</u> <u>Proposed</u>
<u>ITEM</u>				
<u>Operating Revenue</u>	\$20,413	\$21,931	\$20,341	\$21,978
<u>Operating Expenses</u>				
Rail and Trolley Coach Operations	\$10,139	\$10,158	\$ 9,525	\$ 9,486
Motor Coach Operations	7,624	7,637	7,585	7,461
<u>System</u>				
Depreciation Expense	2,143	2,143	2,143	2,143
Operating Taxes	1,763	1,792	1,742	1,776
Total	\$21,669	\$21,730	\$20,994	\$20,866
Operating Income	(1,256)	201	(653)	1,112
Income Taxes (State & Federal)	-	Not shown	-	525*
Net Income				587*
Rate Base				23,950 -
Rate of Return				2.45% *
Operating Ratio (Before Income Taxes)	106%	99%	103%	95%
*From oral testimony				

The Commission witness testified that the foregoing estimates from Exhibit 11 did not include any allowance for the 3-cent wage increase which will become effective June 1, 1951. He estimated that this would reduce the net income by \$50,000, resulting in a rate of return of 2.25%.

(Red Figure)

One of the major differences between the foregoing estimates is to be found in the allowances for injuries and damages included in the general headings "General and Miscellaneous" and "Insurance and Safety". The estimates of the Los Angeles Transit Lines for injuries and damages are based on 7 percent of the revenue, which is in conformity with a contract between Los Angeles Transit Lines and Transit Casualty Company. The Commission's staff based its estimate for this item on comparable costs for other transit companies. These differences are set out below:

	<u>Los Angeles Transit Lines</u>	<u>Commission's Staff</u>
Under existing fares ....	\$ 1,411,000	\$ 1,300,000
Under proposed fares ....	1,517,000	1,250,000

The increase in the company's estimate under proposed fares results from expected increases in revenue, while the decrease in the staff's estimate results from expected decreases in mileage. The estimates as to mileage follow:

	<u>Applicant</u>		<u>Commission</u>	
	<u>Present Operation</u>	<u>Proposed Operation</u>	<u>Present Operation</u>	<u>Proposed Operation</u>
Rail .....	14,222,180	14,058,368	14,025,000	14,025,000
Trolley Coach .....	2,785,441	2,779,091	2,793,000	2,793,000
Motor Coach .....	<u>18,476,748</u>	<u>18,324,743</u>	<u>18,613,000</u>	<u>18,425,000</u>
Total .....	35,484,369	35,162,202	35,431,000	35,243,000

There are other differences between the estimates, such as an allowance for deferred maintenance made by the company and not by the staff, and the company's larger estimate of advertising expense. We do not analyze exhaustively these differences

here because it is apparent that, under the most favorable estimate: the Los Angeles Transit Lines is not receiving sufficient revenue to constitute a fair rate of return.

A witness for the Board of Public Utilities and Transportation of the City of Los Angeles testified that, while he had not made a detailed study of the estimated net earning position of the company under the fare and zone plan proposed herein, he had studied the situation sufficiently to satisfy himself that the company's net operating income under its proposed plan would not provide a reasonable return.

As far as the Pacific Electric Railway Company is concerned, both the estimates of the company and of the Commission's staff show that the company will suffer a loss under either the present or proposed fares. There are some differences between the two estimates, but, since neither shows a return, and since Pacific Electric is under the necessity of preserving a uniform fare structure, we merely set them out in the following table without further discussion:

PACIFIC ELECTRIC RAILWAY COMPANY

Estimated Results of Operation  
Expressed in Thousands of Dollars  
(Based on the First Six Months of  
1950, Expanded to One Year)

	<u>Applicant</u>		<u>Commission Staff</u>	
	<u>Exhibit No. 4</u>		<u>Exhibit No. 13</u>	
	<u>Fare Structure</u>		<u>Fare Structure</u>	
	<u>Present</u>	<u>Proposed</u>	<u>Present</u>	<u>Proposed</u>
<u>ITEM</u>				
Revenue	\$ 17,003	\$ 17,386	\$ 17,003	\$ 17,467
Expenses	19,751	19,751	19,751	19,751
Income	(2,748)	(2,365)	(2,748)	(2,284)



Exhibit 9, submitted by a representative of the Department of Finance and Accounts of this Commission, analyzes the financial structure of the Los Angeles Transit Lines, and, among other things, shows the general decline in operating income experienced by this company during the last five and one-half years as shown in the following table:

LOS ANGELES TRANSIT LINES, INC.

Comparative Condensed Income and Profit  
and Loss Statement for the Years Ended December 31,  
1945 to 1949, Inclusive, and the Six (6) Months Ended June 30, 1950

	December 31 1945	December 31 1946	December 31 1947
Trans. Operating Rev.	\$22,022,459.39	\$22,488,678.03	\$25,554,023.26
Trans. Operating Exp.	18,454,437.87	19,006,645.38	22,038,641.28
Net Revenue - Trans.	\$ 3,568,021.52	3,482,032.65	3,515,382.00
	December 31 1948	December 31 1949	Six (6) Month to 6-30-50
Trans. Operating Rev.	\$25,373,189.33	\$24,760,794.19	\$11,069,906.48
Trans. Operating Exp.	21,851,927.84	21,286,012.34	9,573,265.23
Net Revenue - Trans.	\$ 3,521,261.49	\$ 3,474,781.85	\$ 1,496,641.25
	December 31 1945	December 31 1946	December 31 1947
Taxes Assignable to Trans. Operations	1,748,613.82	1,916,670.34	2,285,690.15
Operating Income	\$ 1,819,407.70	\$ 1,565,362.31	\$ 1,229,691.85
Nonoperating Income	33,905.69	66,447.09	56,223.68
Gross Income	\$ 1,853,313.39	\$ 1,631,809.40	\$ 1,285,915.53
Deductions from Gross Income	355,767.25	365,949.57	410,728.64
Net Income	\$ 1,497,546.14	\$ 1,265,859.83	\$ 875,186.89
	December 31 1948	December 31 1949	Six (6) Month to 6-30-50
Taxes Assignable to Trans. Operations	2,413,835.77	2,313,941.78	1,082,317.51
Operating Income	\$ 1,107,425.72	\$ 1,160,840.07	\$ 414,323.74
Nonoperating Income	295,898.43	85,688.13	14,012.09
Gross Income	\$ 1,403,324.15	\$ 1,246,528.20	\$ 428,335.83
Deductions from Gross Income	388,561.00	391,219.91	176,014.05
Net Income	\$ 1,014,763.15	\$ 855,308.29	\$ 252,321.78

The testimony also reveals sharp cut-backs in service have accompanied the decline in traffic. Despite these efforts the decline in net revenue has accelerated during the current year.

Various public witnesses presented testimony as individuals and as representatives of certain civic groups, the substance of which was in opposition to increased fares. Likewise, there was opposition expressed by some of these individuals to the abolition of the weekly pass.

The Department of Public Utilities and Transportation of the City of Los Angeles presented suggested modifications to the zone changes proposed by applicants.<sup>(1)</sup> These suggestions relate to some of the zone boundaries and generally fall into three groups: (1) certain portions of lines which might provide common boundaries between two adjacent zones and be included in both of them; (2) certain portions of lines where overlaps might be provided so as to include them in two zones; and (3) certain lines or portions of lines which might be included in an inner zone rather than an outer zone. While these suggestions included lines throughout the entire area here under consideration, it should be pointed out that the City of Los Angeles made observations only as to modifications within the city limits. Possible modifications outside of the city limits were merely submitted for the Commission's consideration with no recommendation from the City of Los Angeles.

A witness for the Commission's staff likewise presented certain suggested modifications to applicants' proposed zone changes.<sup>(2)</sup>

After a complete consideration of all of the evidence of record herein we hereby find that the applications of both companies should be granted subject to certain changes as to zone limits. Applicants' proposals will be modified in the following respects:

No. 11 Line - Temple Street

It would be in the public interest to extend the proposed zone 1 to the end of the line at Kenmore, rather than to have the portion of the line between Vermont and Kenmore and in Hollywood zone 2, as proposed by the company.

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(1) Exhibit 8-A

(2) Exhibit 10

Line No. 86

Line No. 86 between Hollywood Boulevard and Santa Monica Boulevard along Vermont Avenue should be considered in both zones 1 and 2 as a common boundary. This would make the operations of Line No. 86 consistent with the Sunset Boulevard Line of the Pacific Electric Railway Company which parallels it in this vicinity.

Line No. 85

Line No. 85 between the intersection of Adams and Crenshaw, and the intersection of Wilshire and Rossmore, should be considered to be in both the inner zone and in the Wilshire zone 2 as a common boundary.

Line No. 5

On Line No. 5 between the intersection of Century Boulevard and La Brea Avenue and the intersection of Market Street and Manchester Avenue, there should be an overlap of Inglewood zone 3 and Hawthorne zone 4.

Line No. 7

Line No. 7 along Broadway between Slauson Avenue and Manchester Avenue should be considered to be in both Huntington Park zone 2 and Crenshaw zone 2 as a common boundary.

Line No. 58

Line No. 58 along Slauson Avenue between Pacific Boulevard and Broadway should be considered to be in both the Huntington Park zone and the inner zone as a common boundary.

Line No. 31 and Line No. 2

Line No. 31 along Cage Avenue and Line No. 2 along City Terrace east of Pomeroy Street should be included in the inner zone.

Valley Boulevard Line (Pacific Electric)

Valley Boulevard Line of the Pacific Electric Railway Company should be included in the inner zone as far as Eastern Avenue.

A provision should be incorporated in the rates applicable to Line No. 25 of the Los Angeles Transit Lines providing that school children in Eagle Rock zone 3 be permitted to ride to the Luther Burbank Junior High School in Highland Park for one fare. Provisions should be made in applicants' tariffs as to transfer regulations so that passengers making trips between two adjacent zones be permitted, on payment of a two-zone fare, to use the most direct route even though it takes them through a third zone.

Testimony was presented to the effect that the proposed inner-zone limit of the Baldwin Park Line of the Pacific Electric Railway be extended from Valley Junction to the present limits. However, further testimony indicated that this objection would be obviated inasmuch as rail passenger service on the Baldwin Park Line was discontinued on October 15, 1950, and buses were substituted therefor. The first stop on the new bus line is at Edgewood Square on Ramona Boulevard, which is presently outside the ten-cent zone and will be outside of this zone under the proposal.

Opposition was presented by the City of Huntington Park and other witnesses to the proposed zone changes in Huntington Park and South Gate. It was contended that the shopping center of Huntington Park is used by the people of South Gate, and other surrounding areas, and that fares would be increased. The business district of the City of Huntington Park is served by the "J" line, which presently has its southern terminus at Palm Place loop south of Santa Ana Street, at which

point connections are made with various bus lines operating in and through the City of South Gate. Under the present fares a rider may travel from any point in South Gate north and west of the present zone boundary at Tweedy Boulevard and Alexander Avenue to Huntington Park for ten cents. Under the proposal, the fares will be fifteen cents. There will be no change in the fares for those residents of South Gate living south of Tweedy Boulevard. Likewise, the proposed fares will result in an increase of from ten to fifteen cents for people in Huntington Park who travel to Vernon or Los Angeles. We have thoroughly considered the testimony presented in this connection, and are of the opinion that we should not alter the proposal of the company in this area. If we were to provide for the present fares to remain in effect between South Gate and Huntington Park, it would require an overlap of the larger part of the "J" line in Huntington Park zone 2. This would practically eliminate zone 2 in that area.

The modifications of applicants' proposal heretofore set out will tend to reduce the estimates of revenue to some extent. But the overall operating results should not be materially different from the estimates made by the company and the staff.

While applicants have requested that this proceeding be a continuing one, they have presented no specific proposals other than those which we have considered herein. Accordingly, this order will dispose of the pending application.

At the conclusion of the hearing counsel for applicants requested that any changes authorized be permitted on one day's notice, and, further, that they be exempted from the requirement

of flagging each change in the tariff as prescribed in Tariff Circular No. 2. The requests appear reasonable and will be granted.

O R D E R

Application as above entitled having been made, public hearings having been held thereon and the Commission being fully advised in the premises and good cause appearing,

IT IS HEREBY ORDERED:

(1) That the Los Angeles Transit Lines be, and it hereby is, authorized to establish the fare zones and fare provisions set out in Appendix A, attached hereto.

(2) That the Pacific Electric Railway Company be, and it hereby is, authorized to establish the fare zones and fare provisions set out in Appendix B, attached hereto.

(3) That the Los Angeles Transit Lines be, and it hereby is, authorized to discontinue the sale of weekly passes, and also to discontinue the sale of 30-ride commutation books on the Olympic Boulevard Motor Coach Line.

(4) That the foregoing changes may be made on not less than one (1) day's notice to the Commission and to the public.

(5) That applicants in complying with this order be authorized to depart from the provisions of Rule 33 (b) of Tariff Circular No.2.

(6) That the authority herein granted shall expire unless exercised within ninety (90) days from the effective date of this order.

(7) That, in all other respects, this application is denied.

The effective date of this order shall be <sup>21<sup>st</sup></sup> ~~twenty~~ (20) <sup>21<sup>st</sup></sup> ~~days~~ <sup>days</sup> after the date hereof.

Dated at San Francisco, California, this 21<sup>st</sup>  
day of November, 1950.

R. E. Anderson  
Justus J. Callahan  
Robert L. Powell  
Harold P. Kule  
Frederick P. Potter  
Commissioners

APPENDIX A  
LOS ANGELES TRANSIT LINES

LINE      ESTABLISH INNER ZONE

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On all lines or portions of lines not shown in Zones 2, 3 and 4, except as noted.

ESTABLISH HOLLYWOOD ZONE 2.

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- 44      Between Western Ave. and Fairfax Ave.  
4      Between Western Ave. and Fairfax Ave.  
3 & R      On 3rd St. West of Wilton Pl.  
R      On Larchmont Blvd. North of 3rd St.  
86      On Vermont Ave. between Hollywood Blvd. and Santa Monica Blvd. (Note: This portion of the line shall also be in the inner zone.)

ESTABLISH WILSHIRE ZONE 2.

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- 62      Entire line.  
18      Between Hepburn Ave. and Hillcrest Ave.  
11      West of Crenshaw Blvd. on Adams Blvd.  
85      Between the intersection of Adams Blvd. and Crenshaw Blvd. and the intersection of Wilshire Blvd. and Rossmore Ave. (Note: This portion of the line shall also be in the inner zone.)

ESTABLISH CRENSHAW ZONE 2.

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- 5      Between Santa Barbara Ave. at Sutro Ave. and Crenshaw Blvd. at 67th St.  
27      Between Vernon Ave. at Western Ave. and Santa Tomas Dr. at Hillcrest Dr.  
9      Between Normandie Ave. and Crenshaw Blvd.  
8      Between Vermont Ave. and Crenshaw Blvd.  
52      Between Keniston Ave. at 64th St. and Buckler Ave. at 64th St.  
50      Between Florence Ave. at Broadway and 67th St. at Crenshaw Blvd.  
60      Between 54th St. and Florence Ave.  
57      Between 48th St. and 79th St.  
F      Between 54th St. and Manchester Ave.



LINE      ESTABLISH CRENSHAW ZONE 2 (Cont'd.)

49      Between Slauson Ave. and Manchester Ave.

7      Between Slauson Ave. and Manchester Ave.

ESTABLISH HUNTINGTON PARK ZONE 2

58      Entire line. (Note: That portion of Line No. 58 along Slauson Ave. between Pacific Blvd. and Broadway shall also be in the inner zone.)

50      Between Florence Ave. at Broadway and Slauson Ave. at Soto St.

54      Between Manchester Ave. at Broadway and Palm Place.

46      Entire line.

55      Entire line.

4      Between Slauson Ave. and Florence Ave.

42      Entire line.

S      Between Avalon Blvd. at Slauson Ave. and Central Ave. at Manchester Ave.

J      Between Slauson Ave. at Pacific Blvd. and Palm Place.

51      Between Firestone Blvd. at Santa Fe Ave. and Palm Place.

67-A      Between Santa Fe Ave. and Eastern Ave.

7      Between Slauson Ave. and Manchester Ave.

ESTABLISH EASTERN ZONE 2.

67-B      Between Santa Fe Ave. and Whittier Blvd. at Brannick Ave.

34      Between Indiana St. and Atlantic Blvd.

47      Between Indiana St. and Simmons Ave.

R      Between Indiana St. and Brannick Ave.

ESTABLISH HIGHLAND PARK ZONE 2.

53      Between Sierra St. at Mercury Ave. and Huntington Dr.

25      Between Figueroa St. at Ave. 43 and Ave. 56 at Meridian St. or Figueroa St. at Roy St.

W      Between Marmion Way at Ave. 43 and York Blvd. at Ave. 50.

43      Entire Line.

5      Between Cypress Ave. at Division St. and Eagle Rock Blvd. at Ave. 45.

61      Entire line.

<u>LINE</u>	<u>ESTABLISH EAGLE ROCK ZONE 3.</u>
5	Between Ave. 45 and Colorado Blvd.
45	Entire line.
25	Between Figueroa St. at Roy St. and Colorado Blvd. at Eagle Rock Blvd.
	<u>ESTABLISH WEST ZONE 3.</u>
4	Between Fairfax Ave. and La Cienega Blvd.
44	Between Fairfax Ave. and Santa Monica Blvd.
	<u>ESTABLISH INGLEWOOD ZONE 3.</u>
5	Between Crenshaw Blvd. at 67th St. and La Brea Ave. at Century Blvd.
52	Between Buckler Ave. at 64th St. and Fairview Blvd. at La Brea Ave.
	Between Keniston Ave. at 64th St. and Manchester Ave. at Market St.
54	Between La Brea Ave. at Florence Ave. and Manchester Ave. at Broadway.
60	Between Florence Ave. and Manchester Ave.
57	Between 79th St. and Imperial Highway.
F	Between Manchester Ave. and 116th St.
7	Between Manchester Ave. and 116th St.
49	Between Manchester Ave. and Century Blvd.
50	Between Western Ave. and 67th St. at Crenshaw Blvd.
	<u>ESTABLISH SOUTH GATE ZONE 3.</u>
63	Entire line.
51	Between Palm Place and Atlantic Blvd. at Imperial Highway.
	<u>ESTABLISH HOLLYDALE ZONE 4.</u>
51	All points East of Atlantic Ave.
	<u>ESTABLISH HAWTHORNE ZONE 4.</u>
5	Between Market St. at Manchester Ave. and Broadway (Hawthorne).

LOS ANGELES MOTOR COACH DIVISION

LINE ESTABLISH INNER ZONE.

On all lines or portions of lines not shown in Zones 2, 3 and 4, and on Line 86 between Santa Monica Blvd. and Hollywood Blvd.

ESTABLISH HOLLYWOOD ZONE 2.

- 84 Between Molrose Ave. and Russell St.
- 85 Between Rossmore Ave. at Wilshire Blvd. and La Brea Ave. at Wilshire Blvd.
- 82 Between Rossmore Ave. and Fairfax Ave.
- 86 Between Santa Monica Blvd. and Hollywood Blvd.

ESTABLISH WILSHIRE ZONE 2.

- 82 Between Rossmore Ave. and Fairfax Ave.
- 90 Between Rimpau Blvd. and Fairfax Ave.
- 85 On La Brea Ave. between Coliseum St. and Wilshire Blvd.  
On Crenshaw Blvd. between Santa Barbara Ave. and Adams Blvd.

ESTABLISH CRENSHAW ZONE 2.

- 85 On Crenshaw Blvd. between Santa Barbara Ave. and Florence Ave.
- 84 Between Vernon Ave. and Florence Ave.

ESTABLISH GRIFFITH ZONE 2.

- 86 Between Hollywood Blvd. and Picnic Grounds or Planetarium.

ESTABLISH GRIFFITH PARK ZONE 3.

- 86 Between Picnic Grounds and Golf Club House.

ESTABLISH WEST ZONE 3.

- 90 Between Fairfax Ave. and Spalding Dr.

ESTABLISH INGLEWOOD ZONE 3.

- 85 Between Florence Ave. and Manchester Ave.
- 84 Between Florence Ave. and Imperial Highway.

FARES TO BE APPLIED IN THE ZONES HERETOFORE SET OUT

BETWEEN		Holly-	Wil-	Cren-	Hunt-	East-	High-	Griff-	Eagle	Griff-		Ingle-	South	Holly-	Haw-
	Inner	wood	shire	shaw	ington	ern	land	ith	Rock	Park	West	wood	Gate	dale	thorne
AND	Zone	Zone 2	Zone 2	Zone 2	Zone 2	Zone 2	Zone 2	Zone 2	Zone 3	Zone 3	Zone 3	Zone 3	Zone 3	Zone 4	Zone 4
Inner Zone	10														
Hollywood Zone 2	15	10													
Wilshire Zone 2	15	15	10												
Crenshaw Zone 2	15	20	15	10											
Huntington Park Zone 2	15	20	20	15	10										
Eastern Zone 2	15	20	20	20	15	10									
Highland Park Zone 2	15	20	20	20	20	15	10								
Griffith Zone 2	15	15	20	20	20	20	15	10							
Eagle Rock Zone 3	20	25	25	25	25	20	15	20	10						
Griffith Park Zone 3	20	20	25	25	25	25	20	15	25	10					
West Zone 3	20	15	15	20	25	25	25	20	20	25	10				
Inglewood Zone 3	20	25	20	15	15	20	25	25	30	30	25	10			
South Gate Zone 3	20	25	25	20	15	20	25	25	30	30	30	20	10		
Hollydale Zone 4	25	30	30	25	20	25	30	30	35	35	35	25	15	10	
Hawthorne Zone 4	25	30	25	20	20	25	30	30	35	35	30	15	25	30	10

10¢ single zone fare applies only to trips entirely within a single zone.

School children attending the Luther Burbank High School in Highland Park shall be permitted to ride between there and Eagle Rock zone 3 for a ten-cent fare.

Passengers making trips between two adjacent zones shall be permitted, on payment of a two-zone fare, to use the most direct route even though it involves travel through a third zone.

# APPENDIX B

## PACIFIC ELECTRIC RAILWAY COMPANY

### SEC. A. LOS ANGELES LOCAL FARE ZONES (In lieu of fare zones named in Cal. P.U.C. 3665)

#### 1. LOS ANGELES INNER ZONE

LINE	LIMITS
# Sunset Blvd. Motor Coach Line .....	Vermont Ave. & Sunset Blvd. and points south and east.
# Wilshire Blvd. Motor Coach Line .....	Rossmore Ave. and points east.
Hollywood Blvd. Rail Line .....	Vermont Ave. and points east.
Santa Monica Blvd.-West Hollywood ....	Vermont Ave. and points east.
# Santa Monica via Beverly Hills Line ..	Rimpau Blvd. and points east.
Los Angeles-Culver City-Venice Line ..	Vineyard Junction and points east.
# Beverly-Sunset Blvds. Line .....	Western Ave. and points east.
Hill St.- Sunset Blvd.-Vermont Ave. ..	Vermont Ave. and points east.
Venice Blvd.-Hill St.-Echo Park Ave. .	All points on line.
Los Angeles-Sierra Vista Line .....	Main St. Station to Mission Rd. & Huntington Dr.
Los Angeles-Watts Line .....	Main St. Station to Slauson Ave.
L.A.-Glendale-Burbank Line .....	Subway Terminal to Monte Sano.
L.A.-Van Nuys Rail Line .....	Vermont Ave. and points east.
# L.A.-Van Nuys via Riverside Dr. Line .	Subway Terminal to Riverside Dr. & Glendale Blvd.

#### 2. ZONE 2 - HOLLYWOOD

Fairfax Ave. Line .....	Wilshire Blvd. and points north.
Hollywood Blvd. Rail Line .....	
Santa Monica Blvd.-West Hollywood ....	Vermont Ave. to Fairfax Ave.
# Beverly-Sunset Blvds. Line .....	Western Ave. to Fairfax Ave.
L.A.-Van Nuys Rail Line .....	Vermont Ave. to Barham Blvd.
Hollywood-Ventura Blvd. Line .....	Hollywood & Vine to Barham Blvd.
Hollywood-Beverly Hills-University ...	Laurel Canyon & Sunset Blvds. to Beachwood & Westshire Drs.
# Wilshire Blvd. Line .....	Rossmore Ave. to Fairfax Ave.
Sunset Blvd. Line .....	Laurel Canyon & Sunset Blvds. to Vermont Ave. & Santa Monica Blvd.
Western-Franklin Ave. Line .....	All points on line.

3. ZONE 3 - HIGHLAND-CANUENGA (1) )  
 ZONE 4 - UNIVERSAL CITY )  
 ZONE 5 - STUDIO CITY )  
 ZONE 5 - NORTH HOLLYWOOD )  
 ZONE 5-A- WARNER )  
 ZONE 5-B- RIVERSIDE DR. )  
 ZONE 6 - SHERMAN OAKS )  
 ZONE 6 - CHANDLER BLVD. )  
 ZONE 6 - VANOWEN-SATICCOY )  
 ZONE 6 - OXNARD )  
 ZONE 7 - ENCINO )  
 ZONE 7 - VAN NUYS )  
 ZONE 7 - VICTORY BLVD. )  
 ZONE 8 - GENERAL MOTORS )  
 ZONE 8 - TARZANA )  
 ZONE 8 - BIRMINGHAM )  
 ZONE 9 - RESEDA )  
 ZONE 9 - SEPULVEDA )  
 ZONE 10 - WINNETKA )  
 ZONE 10 - SAN FERNANDO )  
 ZONE 11 - CANOGA PARK )

ZONE LIMITS FOR THIS GROUP WILL  
 REMAIN UNCHANGED AND AS SHOWN IN  
 CAL. P.U.C. NO. 3665.

(1) - Sub-Zone of ZONE 2 -  
 HOLLYWOOD

# - Restricted operations.

SEC. A (Continued)

4. ZONE 2 - WILSHIRE

# Santa Monica via Beverly Hills Line ..... Rimpau Blvd. to Fairfax Ave.  
 # Wilshire Blvd. Line ..... Rossmore Ave. to Fairfax Ave.  
 Fairfax Ave. Line ..... Wilshire Blvd. and points south.  
 Los Angeles-Culver City-Venice Line .... Vineyard Jct. to La Cienega Blvd.

5. ZONE 3 - WEST

Hollywood-Beverly Hills-University ..... Laurel Canyon & Sunset Blvds. to Carolwood Dr. or Pico Blvd.  
 # Beverly-Sunset Blvds. Line ..... Fairfax Ave. to Carolwood Dr.  
 Santa Monica via Beverly Hills Line .... Fairfax Ave. to Beverly Glen Blvd.  
 L.A.-Beverly Hills Rail Line ..... Fairfax Ave. to Beverly Hills Station.  
 Santa Monica Blvd.-West Hollywood Line . Fairfax Ave. to Hilldale Ave.  
 Fairfax Ave. Line ..... Fairfax Ave. between Sunset Blvd. and Olympic Blvd.  
 Sunset Blvd. Line ..... Laurel Canyon Blvd. to Fairfax Ave.  
 Wilshire Blvd. Line ..... Fairfax Ave. to Beverly Glen Blvd.

6. ZONE 4 - BEVERLY HILLS (2) )  
 ZONE 4 - CULVER CITY )  
 ZONE 5 - WEST LOS ANGELES ) ZONE LIMITS FOR THIS GROUP WILL  
 ZONE 5 - MAR VISTA ) REMAIN UNCHANGED AND AS SHOWN IN  
 # ZONE 6 - SANTA MONICA ) CAL. P.U.C. NO. 3665  
 ZONE 6 - VENICE )  
 ZONE 6 - HIGHLAND HILLS )  
 ZONE 7 - BRENTWOOD )  
 ZONE 8 - UPLIFTERS )  
 ZONE 9 - PACIFIC PALISADES ) (2) - Sub-Zone of ZONE 3 - WEST  
 ZONE 10 - CASTELLAMMARE )

7. ZONE 2 - WATTS

Los Angeles-Watts Line ..... Slauson Ave. to Watts (103d St.)

8. ZONE 2 - HUNTINGTON PARK (Sub-Zone of ZONE 2 - WATTS)

Los Angeles-Watts Line ..... Slauson Ave. to Firestone Blvd.

9. ZONE 2 - HIGHLAND PARK

Garfield Ave.-Highland Park Line ..... Pasadena Ave. & Ave. 66 and points west.  
 Los Angeles-Sierra Vista Line ..... Huntington Dr. & Mission Rd. to Sierra Vista Station.  
 Emery Park Line ..... All points on the line.

10. ZONE 2 - GLENDALE ) ZONE LIMITS OF THIS GROUP WILL REMAIN  
 ZONE 3 - BRAND BLVD. (3) ) UNCHANGED AND AS SHOWN IN CAL. P.U.C.  
 ZONE 4 - GLENOAKS ) NO. 3665.  
 ZONE 5 - BURBANK ) (3) - Sub-Zone of ZONE 2 - GLENDALE

# - Restricted operations.

SEC. B. LOS ANGELES LOCAL INTRA AND INTER-ZONE FARES

1. Adult one-way fares as shown in Cal. P.U.C. No. 3665, Section 5, Table 1, will remain unchanged except that fares presently applicable to, from, or within ZONE 2 - WEST METRO are authorized to apply to, from, or within new ZONE 2 - HOLLYWOOD. Increases or decreases will result through the change in the zone limits of the INNER ZONE and the establishing of a new ZONE 2 - HOLLYWOOD in lieu of present ZONE 2 - WEST METRO.

2. The following one-way adult fares are authorized in lieu of fares named in Cal. P.U.C. No. 3665, Section 5, Table 2.

BETWEEN	1 INNER	2 HOLLYWOOD	2 WILSHIRE	4 UNIVERSAL CITY	3 WEST	4 BEVERLY HILLS	4 CULVER CITY	5 WEST LOS ANGELES	5 MAR VISTA	6 SANTA MONICA	6 VENICE	6 HIGHLAND HILLS	7 BRENTWOOD	8 UPLIFTERS	9 PACIFIC PALISADES
INNER	/10														
2-HOLLYWOOD	/15	/10													
2-WILSHIRE	/15	/15	/10												
3-WEST	/20	/15	/15	/20	/10										
4-CULVER CITY	/20	/20	/15	/25	/20	..	/10								
5-WEST LOS ANGELES	/25	/20	/20	/25	/15	/10	25	/10							
5-MAR VISTA	/25	/25	/20	..	..	..	/10	20	/10						
6-SANTA MONICA	30	/25	25	..	/20	15	20	/10	15	/10					
6-VENICE	30	30	25	..	25	20	15	15	/10	/10	/10				
6-HIGHLAND HILLS	30	/25	25	..	/20	15	..	/10	..	15	..	/10			
7-BRENTWOOD	35	30	30	..	25	20	..	15	..	..	..	/10	/10		
8-UPLIFTERS	40	35	35	..	30	25	..	20	..	..	..	15	/10	/10	
9-PACIFIC PALISADES	45	40	40	..	35	30	..	25	..	..	..	20	15	/10	/10
10-CASTELLAMARE	50	45	45	..	40	35	..	30	..	..	..	25	20	15	/10

/ No reduction for children



3. The following one-way adult fares are authorized in lieu of fares named in Cal. P. U. C. No. 3665, Section 5, Table 3.

BETWEEN	ZONES	Inner	2	2	2	2	2	2	3	4
		Inner	Hollywood	Wilshire	Watts	Highland Park	Glendale	Brand Blvd.	Glenoaks	
Inner		10								
2 - Watts		15	20	20	10	-	-	-	-	
2 - Huntington Park		15	20	20	-	-	-	-	-	
2 - Highland Park		15	20	20	20	10	20	-	-	
2 - Glendale		15	20	20	20	20	10	10	-	
3 - Brand Boulevard		15	20	20	20	20	10	10	-	
4 - Glenoaks		20	25	25	25	25	15	10	10	
5 - Burbank		25	-	-	-	-	20	15	10	

4. The following child's one-way fares are authorized in lieu of fares named in Cal. P.U.C. No. 3665, Section 2, Paragraph 3.

BETWEEN	INNER ZONE	ZONE 2 - HOLLYWOOD	ZONE 2 - WILSHIRE	ZONE 3 - WEST
ZONE 5, on any line	25	-	-	-
ZONE 5, on any line, except L.A.-Glendale-Burbank	-	%20	20	-
ZONE 5, on any line, except L.A.-Glendale-Burbank	-	25	-	-
ZONE 5-A, or 5-B	25	-	-	-
ZONE 6, on any line	25	%20	20	20
ZONE 6, on any line	-	25	-	-
ZONE 7, on any line	25	%20	25	20
ZONE 7, on any line	-	25	-	-
ZONE 8, on any line	30	%25	25	20
ZONE 9, on any line	30	%25	30	25
ZONE 9, on any line	-	30	-	-
ZONE 10, on any line	35	30	30	25
ZONE 11, on any line	35	30	-	-

No reduction is to be made for children in connection with one-way fares marked "A" in Section "B" or by reference made a part hereof.

- 2 - Not via ZONE 2 - HOLLYWOOD
- % - Not via ZONE 2 - WILSHIRE
- \* - Not via ZONE 3 - WEST

5. Rules and regulations applicable to one-way fares authorized in Section "B" will be similar in volume and effect to the rules and regulations as shown in Cal. P. U. C. No. 3665.

# SEC. C. JOINT FARES

1. The following joint one-way adult fares are authorized in lieu of joint fares named in Section 3 of Cal. P.U.C. No. 3673.

PACIFIC ELECTRIC RAILWAY ZONES											
BETWEEN											
Los Angeles Transit Line Zones -	INNER ZONE	ZONE 2 HOLLYWOOD	ZONE 2 WILSHIRE	ZONE 3 WEST	ZONE 2 GLENDALE	ZONE 2 HIGHLAND PARK	ZONE 2 WATTS	ZONE 2 HUNTINGTON PARK	ZONE 4 CULVER CITY	ZONE 5 WEST LOS ANGELES	ZONE 4 UNIVERSAL CITY
INNER ZONE	10	15	15	20	15	15	15	15	20	25	20
ZONE 2 - HOLLYWOOD	15	10	15	15	..	..	..	..	20	20	15
ZONE 2 - WILSHIRE	15	15	10	15	..	..	..	..	15	20	20
ZONE 3 - WEST	20	15	15	10	..	..	..	..	20	15	20
ZONE 2 - CRENSHAW	15	..	15	..	..	..	..	15	20	..	..
ZONE 3 - INGLEWOOD	..	..	..	..	..	..	..	15	..	..	..
ZONE 2 - HUNTINGTON PARK	15	..	..	..	..	..	15	10	..	..	..
ZONE 3 - SOUTH GATE	..	..	..	..	..	..	..	15	..	..	..
ZONE 2 - EASTERN	15	..	..	..	..	..	..	15	..	..	..
ZONE 2 - HIGHLAND PARK	15	..	..	..	..	10	..	..	..	..	..
ZONE 2 - GRIFFITH	15	15	..	..	..	..	..	..	..	..	..
ZONE 3 - EAGLE ROCK	..	..	..	..	..	15	..	..	..	..	..

2. In connection with joint fares between applicant and the Glendale Lines named in Cal. P.U.C. No. 3667, the 10¢ fare named in Section 4 thereof applicable between applicant's "Inner Zone" and Glendale City Lines' "Atwater Zone" is authorized to be increased to 15¢ and a 10¢ fare between Glenhurst on applicant's Los Angeles-Glendale-Burbank Line and Glendale City Lines' "Atwater Zone" is authorized.

SEC. D. INTERURBAN FARES

1. Eliminate 10% one-way fares applicable between Los Angeles and City Terrace and between Los Angeles and Eastern Avenue, as shown in Original Page 21, Cal. P.U.C. No. 3662.
2. Eliminate 10% one-way fares applicable between Los Angeles and Eastern Ave. as shown in Fourth Revised Page 15, Cal. P.U.C. No. 3663, Third Revised Page 23, Second Revised Page 37, and Second Revised Page 41 of Cal. P.U.C. No. 3664, all a part of Exhibit "B" hereof.
3. Eliminate 10% one-way fare applicable between La Brea Avenue and Culver City (Sawtelle Boulevard), as shown in First Revised Page 15, Cal. P.U.C. No. 3665, Section 6, Table 2:

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Passengers making trips between two adjacent zones shall be permitted, on payment of a two-zone fare, to use the most direct route even though it involves travel through a third zone.