

54914

Decision No. _____

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 GREAT NORTHERN RAILWAY COMPANY;)
 NORTHWESTERN PACIFIC RAILROAD)
 COMPANY; SAN DIEGO AND ARIZONA)
 EASTERN RAILWAY COMPANY; SOUTHERN)
 PACIFIC COMPANY; THE ATCHISON,)
 TOPEKA AND SANTA FE RAILWAY COMPANY;)
 THE WESTERN PACIFIC RAILROAD COMPANY;)
 TIDEWATER SOUTHERN RAILWAY COMPANY;)
 and UNION PACIFIC RAILROAD COMPANY)
 for authority to increase passenger)
 fares and excess baggage charges,)
 intrastate, in California.)

Application No. 38056

In the Matter of the Application of)
 UNION PACIFIC RAILROAD COMPANY,)
 TIDEWATER SOUTHERN RAILWAY COMPANY,)
 THE WESTERN PACIFIC RAILROAD COMPANY,)
 SOUTHERN PACIFIC COMPANY, SAN DIEGO)
 and ARIZONA EASTERN RAILWAY COMPANY,)
 NORTHWESTERN PACIFIC RAILROAD COMPANY,)
 GREAT NORTHERN RAILWAY COMPANY, SANTA)
 FE TRANSPORTATION COMPANY, and THE)
 ATCHISON, TOPEKA AND SANTA FE RAILWAY)
 COMPANY, for authority to increase)
 passenger fares and excess baggage)
 charges, intrastate, in California.)

Application No. 38741

Appearances in Application No. 38056

Charles W. Burkett, Jr., for applicants; Otis J. Gibson, for The Western Pacific Railroad Company, applicant; Robert A. Thompson, for The Atchison, Topeka and Santa Fe Railway Company, applicant.

Clarence A. Winder, for City of San Diego and for City of Pasadena; Frank L. Kostlan, for City of Pasadena; interested parties.

Harold J. McCarthy and John Pearson, for the Commission's staff.

Appearances in Application No. 38741

Charles W. Burkett, Jr. and Otis J. Gibson, for applicants.

Frederick G. Pfrommer, for The Atchison, Topeka and Santa Fe Railway Company, and Santa Fe Transportation Company; applicants.

Charles R. Sexton, for the Commission's staff.

O P I N I O N

Applicants are common carriers of passengers by railroad.¹ By Application No. 38056, as amended, they seek authority to increase, by five per cent, their intrastate first-class and coach fares, subject to certain exceptions and modifications, and the charges for handling excess baggage. By Application No. 38741 applicants seek an additional increase in fares of five percentage points, subject also to certain exceptions and modifications. Thus a total increase of 10.25 per cent is sought in those fares as to which the full increase is proposed under both applications.

The increases sought generally in Application No. 38056 correspond to those granted the same carriers in interstate traffic in Interstate Commerce Commission Ex Parte No. 202, effective May 1, 1956. Those sought in Application No. 38741 generally reflect the 5 per cent interstate increase granted the carriers in I.C.C. Ex Parte No. 207, effective January 1, 1957.

Public hearing of Application No. 38056 was held before Commissioner Matthew J. Dooley and Examiner Carter R. Bishop on November 14, 1956. Application No. 38741 was heard before Commissioner C. Lyn Fox and Examiner Bishop on March 14, 1957. Both hearings were held in San Francisco. Disposition will be made of both applications in this decision.

The modifications in, and exceptions to, the 5 per cent increase sought in Application No. 38056 are generally as follows:

As to Southern Pacific fares, no increase is sought in the special coach fares between points in the San Joaquin Valley, which

¹ Santa Fe Transportation Company, which is a party to Application No. 38741 only, is a passenger stage corporation and a highway common carrier.

were adjusted pursuant to Decision No. 52995 of May 1, 1956, except that minimum one-way and round-trip fares of 25 cents and 50 cents, are proposed; nor in the transbay fares, which were also adjusted by said Decision No. 52995; nor in present commutation or multi-ride fares between San Francisco and San Jose - Los Gatos and intermediate points. Likewise, no increases are sought in the current one-way and round-trip coach fares applicable between those points, except that they would be subject to the minimum charges of 25 cents and 50 cents, and would be designated as special coach fares. As such, they would be subject to a 5-day limit for one-way fares and an 18-day limit for round trips, in lieu of the present 30-day and 60-day limits, and would be further subject to a free baggage allowance of 100 pounds in lieu of the present allowance of 150 pounds. No increase is sought in the present reserved seat charges for coach occupancy on streamlined trains; however, the present special coach fares between San Francisco Bay points and Sacramento, on the one hand, and Los Angeles, on the other, would be increased from \$8.50 to \$9.00, one way, and from \$15.30 to \$16.20, round trip, these fares to be maximum for intermediate points. Also, present fares made by combination of the above-mentioned special coach fares with regular coach fares would be increased to reflect the new combinations.

Under Application No. 38056, no increases are sought by The Atchison, Topeka and Santa Fe Railway Company² in its coach fares. These were all increased in May, 1956, pursuant to Decision No. 52995, supra. Since that carrier's California intrastate traffic

²

Hereinafter sometimes referred to as "Santa Fe."

moving under first-class fares is small, the increase in revenues anticipated by it under the application in question is slight.

Modification in the general 5 per cent increase, as proposed by Western Pacific in Application No. 38056, are: to establish, between San Francisco and East Bay points minimum one-way and round-trip fares of 50 cents and \$1.00, the same as recently authorized via Southern Pacific; to eliminate present special coach fares between San Francisco Bay points, Stockton and points intermediate thereto;³ and to meet fares of short line carriers at competitive points.

The exceptions and modifications to the 5 per cent increase proposed in Application No. 38741 are generally as follows:

Southern Pacific, as in Application No. 38056, seeks no increase in individual, commutation or multiple ride fares between San Francisco and San Jose - Los Gatos and intermediate points nor in reserved seat charges for coach occupancy on streamlined trains. An increase of 50 cents for one-way movement (with corresponding increases in round trips), in addition to those sought in Application No. 38056, is proposed in the special coach fares between San Francisco Bay points - Sacramento and Los Angeles. Thus, under the combined applications, the present one-way fare would be increased from \$8.50 to \$9.50 and round trips from \$15.30 to \$17.10.⁴ Parlor

³ Special coach fares between the points in question, the record shows, have previously been eliminated by Santa Fe and Southern Pacific.

⁴ On Southern Pacific streamlined trains the passenger would pay, in addition to these fares, a reserved seat charge of \$1.00, one way, or \$2.00, round trip. As hereinbefore stated, no increase is proposed in these charges under either of the applications herein.

car seat fares would be increased under Application No. 38741 by certain specific amounts. For example, the seat fare from San Francisco to Los Angeles would be advanced from \$2.20 to \$2.50.

While the Santa Fe, in Application No. 38056, proposes no increases in its present special coach fares of \$8.50, one way, and \$15.30, round trip, applicable between San Francisco Bay points and Los Angeles in connection with Santa Fe Transportation Company via Bakersfield, it seeks, in Application No. 38741, to increase these fares to \$9.00 and ~~\$16.30~~^{\$16.25}, respectively. Under each application the fares in question would be lower than those proposed by Southern Pacific between the same points. According to the record, Southern Pacific believes that the disadvantage of higher fares via its routes would be offset by the fact that its passengers enjoy a continuous rail movement, without change of cars, between the points in question; whereas, under the joint fares via Santa Fe Railway, Santa Fe Transportation Company passengers must change at Bakersfield from train to bus, southbound, and from bus to train, northbound.⁵

Applicants seek, in Application No. 38056, the establishment of state-wide minimum fares, for both coach and first-class tickets, of 25 cents, one way, and 50 cents, round trip. No further adjustment in this respect is sought in Application No. 38741.

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Via the San Joaquin Valley route of Southern Pacific, San Francisco passengers must use the ferry boats between that city and Oakland Pier; also, rail passengers traveling from or to San Francisco via the Santa Fe are transported between that city and Oakland by motor coach. The record shows that at various times in the past the Santa Fe rail-bus fares in question have been lower than the corresponding fares of Southern Pacific. Just prior to May 21, 1956, the one-way fare of the former was \$6.50, while that of the latter carrier was \$8.50, as at present.

Under applicants' present tariffs, round-trip first-class fares are constructed on the basis of 166-2/3 per cent of the one-way first-class fares. In Application No. 38741 it is proposed to revise this basis to the same as now applies in connection with coach fares; namely, 180 per cent of the one-way fare. The effect of this proposal would be to increase the round-trip first-class fares by substantially more than the additional increase of 5 percentage points proposed under that application for one-way first-class fares. Thus the present first-class round-trip fare between San Francisco and Los Angeles via Southern Pacific of \$30.40 would be increased to \$31.90 under Application No. 38056, and further increased to \$36.20 under Application No. 38741.

As indicated above, in Application No. 38056, no increases are proposed in the Santa Fe and Southern Pacific coach fares which were advanced under Decision No. 52995, of May 1, 1956. These comprise all Santa Fe Coach fares in California and Southern Pacific competitive coach fares in the San Joaquin Valley. The record discloses that those carriers desired to observe the effects of the 1956 increases before seeking any further adjustments in the fares in question. All of these fares are included, however, in Application No. 38741, and the effect of that application would be to increase said fares generally by 5 per cent.

Under both applications it is proposed that the basis for determining children's fares shall continue as at present. Thus in effect, applicants seek to increase children's fares where the adult fares between the same points are proposed to be raised.

A. 38056, A. 38741 - AH

In Table I below, the proposed basic coach and first-class fares, in cents per mile, are compared with the corresponding present fares.⁶

TABLE I

Comparison of Fares in Cents Per Mile

<u>Type of Fare</u>	<u>Present Fare</u>		<u>Proposed Fares</u>			
	<u>O/W</u>	<u>R/T</u>	<u>A. 38056</u>		<u>A. 38741</u>	
			<u>O/W</u>	<u>R/T</u>	<u>O/W</u>	<u>R/T</u>
<u>Basic Coach</u> (Except AT&SF and San Joaquin Valley on S.P.)	2.5	2.25	2.63	2.36	2.76	2.48
<u>Basic Coach</u> (AT&SF and San Joaquin Valley on S.P.)	2.5	2.25	-	-	2.63	2.36
<u>First Class</u>	3.5	2.92	3.68	3.06	3.86	3.47

O/W - One Way

R/T - Round Trip

The record includes estimates by applicants' witnesses of the additional revenues to be received by their respective companies in the event that each of the applications is granted in full. These estimates are summarized in Table II, as follows:

TABLE II

Estimated Additional Revenues to be Received Under Proposed Fares

	<u>Under A. 38056</u>	<u>Under A. 38741</u>	<u>Total</u>
Northwestern Pacific	\$ 2,500	\$ 1,730	\$ 4,230
Santa Fe Railway	514	117,947	118,461
Santa Fe Transportation Co.	---	7,565	7,565
Southern Pacific	250,000	350,000	600,000
Union Pacific	1,374	1,298	2,672
Western Pacific	3,404	4,154	7,558
Grand Total	\$257,792	\$482,694	\$740,486

⁶

In Appendix "A" hereof, are shown present and proposed first-class and coach fares between representative points.

The estimates under Application No. 38056 are predicated on 1955 revenues, while those under Application No. 38741 are based on revenues received in 1956. No estimates were offered on behalf of Great Northern Railway Company, San Diego and Arizona Eastern Railway Company and Tidewater Southern Railway Company. The record discloses that these carriers do not provide regular passenger service, but that they maintain passenger tariffs on file with this Commission in order to take care of special or emergency movements. It is their desire to maintain fares on the same basic level as those of other lines parties to the applications and as now apply on interstate traffic.

The sought increases in passenger fares and excess baggage charges, it is stated in the applications, are necessary because the out-of-pocket cost of providing passenger train service in California is, assertedly, in substantial excess of gross revenues accruing therefrom. Additionally, applicants are desirous of placing their California intrastate fares generally on the same per mile basis as applies on interstate traffic moving to or from California.

Engineering and accounting witnesses introduced, at the hearings, studies which they had made of the estimated out-of-pocket costs incurred by Southern Pacific, Northwestern Pacific and Santa Fe in connection with the passenger services in question. The Southern Pacific made individual studies of each of its regularly scheduled passenger trains operating entirely within California except those in the San Francisco - San Jose - Los Gatos commutation service. It also made out-of-pocket cost studies of each of its regularly scheduled passenger trains operating into and out of California. At the hearing in Application No. 38741 the cost studies introduced were the same as those offered at the hearing of the earlier application,

except that the totals for the two classes of services (intrastate and interstate trains, respectively) had been adjusted to reflect January 1, 1957, cost levels.

The Northwestern Pacific study reflects estimated expense data, also revised to January 1, 1957, for that carrier's single passenger train which operates three times a week in each direction between San Rafael and Eureka. The Santa Fe study related to its trains operating exclusively in California, its San Diegans and Golden Gates operating between San Diego and Los Angeles, and between Bakersfield and Oakland, respectively. These trains, the record shows, produce 85 per cent of the Santa Fe's California intrastate passenger revenue.

The witnesses also presented estimates of revenues for the services for which out-of-pocket cost studies had been made. Both the revenue and expense estimates for Southern Pacific and Northwestern Pacific were broken down to show separately the data for transportation of (a) passengers,⁷ (b) baggage, and (c) other passenger train traffic. The Santa Fe revenue estimates were similarly broken down; their expense data, however, were not so segregated.

The above-mentioned estimates of revenues to be received under present fares, of out-of-pocket expenses and of the anticipated deficits, compared with the additional revenues anticipated under the proposed fares, all on an annual basis, are set forth in Tables III and IV, below. Table III shows the estimated operating results for all passenger train services, while Table IV relates only to the transportation of passengers and baggage, the services for which increases are sought herein.

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The revenue estimates for transportation of passengers include provision for the value of passes honored on the trains involved in the studies.

TABLE III

Estimated Revenues and Out-of-Pocket Expenses
in Connection with All Passenger Train Services
(On an Annual Basis)

A. Trains Operating Wholly Within California

1. Southern Pacific

(Exclusive of San Francisco Peninsula Commute Trains)

Revenues (at present fares)	\$13,307,317
Out-of-Pocket Expenses (Adjusted to January 1, 1957, cost levels)	<u>20,400,000</u>
Difference	\$(7,092,683)
Additional Revenues Anticipated Under Proposed Fares	\$ 600,000 *

2. Santa Fe

Revenues	\$3,425,480
Out-of-Pocket Expenses (1956 cost levels)	<u>4,538,749</u>
Difference	\$(1,113,269)
Additional Revenues Anticipated Under Proposed Fares	(\$ 118,461 * (96,898 **)

3. Northwestern Pacific

Revenues (at present fares)	\$ 139,347
Out-of-Pocket Expenses (Adjusted to January 1, 1957, cost levels)	<u>260,000</u>
Difference	\$ (120,653)
Additional Revenues Anticipated Under Proposed Fares	\$ 4,230

B. Trains Operating Into and Out of California

Southern Pacific

Revenues (includes interstate as well as intrastate, California and other)	\$37,211,891
Out-of-Pocket Expenses (includes expenses over entire routes of operation of trains involved)	<u>45,760,000</u>
Difference	\$(8,548,109)
Additional Revenues Anticipated Under Proposed Fares	\$ 600,000 *

* Figure represents estimate of all additional revenues from increases sought in Applications Nos. 38056 and 38741, including California intrastate revenue from interstate trains.

** Figure represents estimate of additional revenues from increases sought in Application No. 38741 only, in connection with trains operating entirely within California.

() - Indicates red figures.

TABLE IV

Estimated Revenues and Out-of-Pocket Expenses
Relating Solely to the Transportation of
Passengers and Baggage
(On an Annual Basis)

A. Trains Operating Wholly Within California

1. Southern Pacific

(Exclusive of San Francisco Peninsula Commute Trains)

Revenues (at present fares)	\$ 9,379,210
Out-of-Pocket Expenses	
(Adjusted to January 1, 1957, cost levels)	<u>15,725,000</u>
Difference	\$(6,345,790)
Additional Revenues Anticipated	
Under Proposed Fares	\$ 600,000 *

2. Northwestern Pacific

Revenues (at present fares)	\$ 115,080
Out-of-Pocket Expenses	
(Adjusted to January 1, 1957, cost levels)	<u>185,900</u>
Difference	\$ (70,820)
Additional Revenues Anticipated	
Under Proposed Fares	\$ 4,230

B. Trains Operating Into and Out of California

Southern Pacific

Revenues (includes interstate as well as intrastate, California and other)	\$23,053,047
Out-of-Pocket Expenses (includes expenses over entire routes of operation of trains involved)	<u>33,760,000</u>
Difference	\$(10,706,953)
Additional Revenues Anticipated	
Under Proposed Fares	\$ 600,000 *

* Figure represents estimate of all additional revenues from increases sought herein, including California intrastate revenue from interstate trains.

() - Indicates red figures.

It does not appear necessary for the purpose of this proceeding to describe in detail the methods employed by the rail witnesses in developing the foregoing estimates of out-of-pocket expenses. The procedures utilized were substantially the same as those that have been applied in previous passenger fare proceedings before this Commission. Generally, actual expenses incurred in connection with the operation of the particular train were utilized where they could be obtained; other out-of-pocket expenses were calculated from the application of previously developed average "unit" costs. Certain items of expense, the witnesses stated, were not included in the development of the out-of-pocket costs. Among other items excluded were: costs of operating extra passenger trains, of deadheading power and equipment, of moving cars to and from shops, and expenses in connection with facilities jointly operated with other roads.

The revenue figures used in Tables III and IV, the record shows, were developed by various methods. The Southern Pacific revenues reflect that carrier's estimate of revenues received from operation of the trains studied for the 12-month period ending December 31, 1956. The Northwestern Pacific figures represent the passenger revenues received during the last six months of 1956, annualized. The Santa Fe revenue figures reflect revenues received from the trains involved during six selected months in 1956, annualized. Neither the Santa Fe nor Southern Pacific revenue estimates gave effect, for a full 12-month period, to the coach fare increases authorized by Decision No. 52995, supra.

It will be seen from Tables III and IV that, according to the estimates of the carrier witnesses, the transportation of passengers and baggage on trains operating wholly within California results

in annual out-of-pocket losses of \$6,345,790, for Southern Pacific,⁸ and \$70,820 for Northwestern Pacific, and that the corresponding loss for the Santa Fe, taking into account all passenger train services rendered by its California intrastate passenger trains, is \$1,113,269. It will be further seen that, if the applications herein should both be granted, the resulting additional revenues, as estimated by the witnesses, would offset only relatively small portions of these deficits. These revenue estimates, it should be also noted, include the additional revenue to be derived from California intrastate passengers riding on interstate trains. Moreover, the foregoing operating results as developed by the rail witnesses and shown in Tables III and IV are not predicated on full costs, but only out-of-pocket costs.⁹

Financial showings offered on behalf of applicants Western Pacific and Union Pacific, in addition to that shown in Table II, consisted of statements setting forth, for the years 1948 to 1955, inclusive, results from system operations of passenger and allied services. These included operating revenues, expenses, and net railway operating income. The expenses were divided between those related solely to passenger and allied services and the expenses which were apportioned to those services. Statements were also offered showing system

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Excluding operating results of the San Francisco-San Jose-Los Gatos commute service, which is not involved in the proceedings.

9

Out-of-pocket costs, as defined by one of the carrier witnesses, are those expenses which would be saved if a service now performed were discontinued, or conversely, the added expense if a service not now performed were undertaken.

results of operations for both freight and passenger services of these carriers, for the years 1948 through 1956, including rates of return predicated on (1) book costs, and (2) the Interstate Commerce Commission valuation formula.¹⁰

In Table V below are shown comparisons, for the years 1953, 1954 and 1955, of total system passenger and related revenues of Union Pacific and Western Pacific with those system operating expenses which were related solely to passenger and allied services (excluding expenses which were apportioned to those services).

TABLE V

<u>Union Pacific</u>	<u>System Passenger Operating Revenues</u>	<u>System Expenses Related Solely to Passenger Services</u>
1953	\$66,617,444	\$72,604,651
1954	60,278,595	70,910,406
1955	58,728,715	66,132,898
 <u>Western Pacific</u>		
1953	\$ 3,773,302	\$ 4,329,934
1954	2,938,748	3,984,857
1955	2,937,430	4,145,030

These revenue and expense figures, the record indicates, were taken from annual reports filed by the carriers with the Interstate Commerce Commission. The data purport to show that the system passenger revenues of the two roads have failed, by substantial margins, to cover even those operating expenses which are related solely to the passenger train service, before taking into consideration the passenger apportionment of expenses incurred jointly with the freight service.

¹⁰

Similar financial statements relating to operations of Southern Pacific, Northwestern Pacific and Santa Fe were also introduced.

Exhibits of record disclose the same circumstances with respect to passenger train revenues and expenses of Santa Fe and Southern Pacific.¹¹

Santa Fe Transportation Company passenger stage service is limited to operations between Bakersfield and Los Angeles - Pasadena and intermediate points, also between Hanford, Porterville and intermediate points. Both of these operations are coordinated with Santa Fe rail operations. Evidence of results of operation of the Transportation Company consisted of a balance sheet as of December 31, 1956, and two income statements for the year 1956, one covering combined freight and passenger operations, and the other passenger service only. The latter income statement shows gross operating revenues of \$315,353, operating expenses of \$274,584 and net operating revenue, before provision for income taxes, of \$40,265.

In the opinion of applicants' traffic witnesses, the fare increases sought in the applications herein, if granted, will not result in any appreciable diversion of traffic from applicants' lines. This conclusion is based on experience with prior increases of comparable percentages, both intrastate and interstate.¹² A witness for Santa Fe introduced a series of exhibits comparing the basic coach fares proposed herein by that carrier with corresponding fares currently applicable in other sections of the country. These exhibits

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According to the exhibits, Santa Fe, prior to 1954, and Southern Pacific and Union Pacific, prior to 1953, received passenger revenues which were substantially in excess of expenses related solely to the passenger service, but which fell short of full costs as developed under I.C.C. accounting procedure.

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A witness for Southern Pacific admitted that there has been a continuing over-all downward trend in that carrier's passenger traffic.

purported to show that the latter fares are either the same as, or higher than, the sought fares. No evidence was adduced, however, tending to establish a similarity of transportation circumstances and conditions as between the respective areas. Testimony in support of the various exceptions to the general increases sought and of the proposed changes in other tariff provisions was given by the traffic witnesses. It does not appear necessary to review that testimony in this opinion.

Notices of the hearings in these proceedings were posted in applicants' depots and in the passenger trains serving the points involved. Additionally, the Commission's secretary sent notices of hearing to persons and organizations believed to be interested. No one appeared in opposition to the granting of the applications.

Conclusions

The evidence is convincing that the services rendered by Santa Fe, Southern Pacific and Northwestern Pacific in the transportation of California intrastate passengers and their baggage are being conducted at substantial out-of-pocket losses. It is clear, moreover, that the additional revenues which those carriers might reasonably expect under the proposed fare increases would offset only relatively small portions of such losses, and that the proposed fares and charges are, for the applicants in question, reasonable and necessary.

As shown in Table I the interest of Union Pacific, Western Pacific and Santa Fe Transportation Company in these proceedings is only minor. While the evidence adduced on behalf of these applicants is not as strong as that offered for the carriers considered in the preceding paragraph, it appears that the proposed increases are necessary also for this second group of carriers.

No evidence was offered relative to passenger operating results of Great Northern, Tidewater Southern or San Diego and Arizona Eastern, since, according to the record, no regular passenger train service is provided by those roads. However, they propose to continue their passenger tariffs in effect and to adjust their fares, uniformly with those of the other applicants, for the occasional special trains which may be operated. The request appears reasonable.

The proposals for changes in other provisions of applicants' tariffs, including those relating to time limits of tickets and to baggage allowances, likewise appear to be reasonable and will be authorized.

Upon careful consideration of all the facts and circumstances of record, we are of the opinion and hereby find that the increases in applicants' intrastate fares and excess baggage charges and the changes in tariff rules proposed in these proceedings are justified. The applications will be granted.

O R D E R

Based upon the evidence of record and upon the conclusions and findings set forth in the preceding opinion,

IT IS ORDERED that Great Northern Railway Company, Northwestern Pacific Railroad Company, San Diego and Arizona Eastern Railway Company, Southern Pacific Company, The Atchison, Topeka and Santa Fe Railway Company, The Western Pacific Railroad Company, Tidewater Southern Railway Company, and Union Pacific Railroad Company be and they are hereby authorized to establish, on not less than five days' notice to the Commission and to the public, the increased passenger fares, excess baggage charges and changes in tariff

rules as proposed in Application No. 38056, as amended, and in Application No. 38741.

IT IS FURTHER ORDERED that Santa Fe Transportation Company be and it is hereby authorized to establish, on not less than five days' notice to the Commission and to the public, the increased passenger fares, excess baggage charges and changes in tariff rules proposed in Application No. 38741.

IT IS FURTHER ORDERED that applicants be and they are hereby authorized to publish the increased fares and charges herein authorized in the same form as that authorized by the Interstate Commerce Commission. To the extent that departure from the terms and rules of Tariff Circular No. 2 of the Commission is required to accomplish such publication, authority for such departure is hereby granted.

IT IS FURTHER ORDERED that the authority herein granted shall expire unless exercised within sixty days after the effective date of this order.

This order shall become effective twenty days after the date hereof.

Dated at Los Angeles, California, this 30th day of April, 1957.

[Signature]
President
[Signature]
[Signature]
[Signature]
Commissioners

APPENDIX "A"

Comparison of Present and Proposed
Fares Between Representative Points

<u>Fare Description</u>	<u>Present Fare</u>	<u>Proposed Fares</u>			
		<u>A. 38056 Fare</u>	<u>Increase</u>	<u>A. 38741 Fare</u>	<u>Increase</u>
<u>San Francisco-Los Angeles</u>					
One Way Special Coach					
Via A.T.S.F.	\$ 8.50	--	--	\$ 9.00	\$.50
Via S.P.	8.50*	\$ 9.00*	\$.50	9.50*	.50
Round Trip Special Coach					
Via A.T.S.F.	15.30	--	--	16.20	.90
Via S.P.	15.30*	16.20*	.90	17.10*	.90
One Way First Class					
Via S.P.	18.23	19.14	.91	20.10	.96
Round Trip First Class					
Via S.P.	30.40	31.90	1.50	36.20	4.30
<u>San Francisco-Redding (SP)</u>					
One Way Basic Coach	6.48	6.80	.32	7.14	.34
Round Trip Basic Coach	11.70	12.25	.55	12.90	.65
One Way First Class	9.05	9.50	.45	9.98	.48
Round Trip First Class	15.10	15.85	.75	18.00	2.15
<u>San Francisco-Fresno (SP and AT&SF)</u>					
One Way Special Coach	4.87	--	--	5.11	.24
Round Trip Special Coach	8.80	--	--	9.20	.40
One Way First Class	7.51	7.89	.38	8.28	.39
Round Trip First Class	12.55	13.15	.60	14.95	1.80
<u>San Francisco-Sacramento</u>					
One Way Basic Coach	2.48	2.60	.12	2.73	.13
Round Trip Basic Coach	4.50	4.70	.20	4.95	.25
One Way First Class	3.47	3.64	.17	3.82	.18
Round Trip First Class	5.80	6.10	.30	6.90	.80
<u>San Francisco-Eureka (NWP)</u>					
One Way Basic Coach	7.93	8.30	.37	8.75	.45
Round Trip Basic Coach	14.30	15.00	.70	15.75	.75
<u>Los Angeles-San Diego (AT&SF)</u>					
One Way Basic Coach	3.16	--	--	3.32	.16
Round Trip Basic Coach	5.70	--	--	6.00	.30

* Subject to additional reserved seat charge of \$1.00 per trip in each direction on streamlined trains.