

ORIGINALDecision No. 75308

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE WESTERN PACIFIC
RAILROAD COMPANY to increase passenger
fares by 10 percent (10%) intrastate
in California.

Application No. 50660
(Filed November 1, 1968;
amendment filed
November 18, 1968)

O P I N I O N

By this application, as amended, The Western Pacific Railroad Company (Western Pacific) seeks authority to increase its California intrastate passenger fares by ten percent. Specifically, the proposal involves its one-way and round-trip first class and coach fares, one-way and round-trip military furlough coach fares, open-gap military furlough coach fares and one-way special coach fares for military personnel discharged, retired or released from active duty.^{1/}

The increase in fares here sought reflects the same percentage increase in applicant's interstate fares which was permitted by the Interstate Commerce Commission to become effective November 1, 1968. Applicant has obtained authority to increase its Utah intrastate fares by 10 percent and has sought like authority for its Nevada intrastate fares.^{2/}

1/ The subject fares are published in applicant's Local Passenger Tariff No. 679, Cal. P.U.C. No. 1713.

2/ The interstate fare adjustment includes a so-called California Zephyr charge, effective October 15, 1968, which applies in addition to the basic increased fares. Western Pacific does not propose a like charge for California intrastate traffic.

Applicant operates a single pair of passenger trains, the California Zephyr (Trains Nos. 17, westbound, and 18, eastbound) between Oakland and Salt Lake City, with bus connection between San Francisco and Oakland.^{3/} In California, intermediate points served by the train are Fremont, Pleasanton, Stockton, Sacramento, Marysville, Croville, Keddie, Portola and Herlong.

Effective July 25, 1968, under authority of Decision No. 74199 in Application No. 49881, Western Pacific and the other major California rail lines increased their California intrastate passenger fares by 5 percent. As to Western Pacific, the level of fares applicable prior to said date had been continuously in effect, a review of tariffs on file with the Commission shows, since 1963. In the table below the proposed one-way fares between San Francisco and representative points are compared with the present fares and those applicable prior to July 25, 1968. In all cases, round-trip fares were, are and are proposed to be 180 percent of the corresponding one-way fares.

^{3/} East of Salt Lake City the California Zephyr operates to and from Chicago, Illinois, via connecting carriers.

Comparison of Fares

<u>Between San Francisco and</u>	<u>In Effect Prior to July 25, 1968</u>	<u>Present</u>	<u>Proposed</u>
(A) <u>Coach Fares</u>			
Fremont	\$0.99	\$1.04	\$1.14
Stockton	2.84	2.98	3.28
Sacramento	3.31	3.48	3.83
Marysville	4.65	4.88	5.37
Oroville	5.54	5.82	6.40
Keddie	9.43	9.90	10.89
(B) <u>First Class</u>			
Fremont	\$1.28	\$1.34	\$1.47
Stockton	3.62	3.80	4.18
Sacramento	4.20	4.41	4.85
Marysville	5.92	6.22	6.84
Oroville	7.03	7.38	8.12
Keddie	10.29	10.80	11.88

Note

Seat charges of 50 and 75 cents, additional to the above-stated fares, were not increased and are not proposed to be increased.

Assuming a continuation of the carrier's 1967 California intrastate traffic pattern and further assuming that there would be no diminution in patronage by reason of the increases in fares, applicant estimates that the said increases would produce additional revenue of \$5,300 per annum.

The application points out that the Zephyr carries both intrastate and interstate passengers, and that, in view of this, no attempt has been made to make a cost segregation between the two categories of service. The application states that, for the year 1967, California intrastate passenger revenues amounted to approximately 2-1/2 percent of the carrier's total passengers revenues, exclusive of seat charges. The application draws attention to Appendix B of Interstate Commerce Commission decision dated

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July 17, 1968 (Western Pacific Railroad Company Discontinuance of Trains Nos. 17 and 18),^{4/} in which the carrier's estimate of its net loss from operation of those trains in the year 1967 was \$1,204,500.

The application was listed on this Commission's Daily Calendar of November 4, 1968. Under date of November 18, 1968 applicant mailed notices of the proposed fare increases to public officials of the counties and cities served by its passenger train. No protests have been received. The Commission has been furnished a copy of a resolution of the Yuba County Board of Supervisors expressing its support of said increases.

We find that:

1. The proposed fare increases will increase the passenger revenues of applicant and will, in some degree, operate to reduce its passenger operating losses.

2. The proposed percentage of increase in fares is not so great as to cause a material adverse effect on the volume of Western Pacific's California intrastate passenger traffic.

3. The sought fare increases are reasonable and justified.

We conclude that the application, as amended, should be granted. A public hearing is not necessary.

Because of the urgent need for additional revenues applicant requests authority to establish the increased fares on less than statutory notice. The request appears reasonable. It will be granted.

^{4/} In Finance Docket No. 24918 (reported in 333 ICC 525).

ORDER

IT IS ORDERED that:

1. The Western Pacific Railroad Company is authorized to establish the increased fares proposed in Application No. 50660, as amended. Tariff publications authorized to be made as a result of the order herein may be made effective not earlier than ten days after the effective date hereof on not less than ten days' notice to the Commission and to the public.

2. The authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

The effective date of this order shall be ten days after the date hereof.

Dated at San Francisco, California, this 11th day of FEBRUARY, 1969.

William Synnott, Jr.
President

Augustine

Frank P. Monahan

U. P. McBERN

Thomas Moran
Commissioners