

ORIGINAL

Decision No. 82242

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern Pacific  
Transportation Company for Authority  
to Increase Suburban Fares Between  
San Francisco and San Jose and  
Intermediate Points.

Application No. 53666  
(Filed October 26, 1972)

W. Harney Wilson and Michael A. Smith, Attorneys at  
Law, for applicant.  
Christopher H. Lovelock, Gordon Lewin, David Jones,  
and Ronald H. Todd, for Peninsula Commute and  
Transit Committee; and Gary Klementovill, Phyllis  
Kallman, Charles W. Kieser, James McMorro,  
Albert S. Dutra, Donald Wehrung, and Denis  
O'Malley, for themselves; protestants.  
Michael R. Downey, Attorney at Law, for City of  
Santa Clara; Robert K. Booth, Jr., and Steven D.  
McMorris, Attorneys at Law, for City of Palo Alto;  
and W. Scott McGilvray, for West Bay Railway;  
interested parties.  
Lionel B. Wilson, Attorney at Law, for the Commission  
staff.

# O P I N I O N

Public hearings were held in this matter April 9 through  
12, 1973 before Examiner Thompson and the application was submitted.  
Southern Pacific Transportation Company (SP) seeks authority to  
increase its fares for its San Francisco - San Jose suburban passen-  
ger train operations. It proposes to increase its one-way fares for  
transportation between all zones by 15 cents, to increase the monthly  
5-day week commute ticket by \$2.50 for all zones, to increase the  
monthly 7-day week commute ticket by \$2.75 for all zones, to increase  
the weekly commute ticket by 75 cents for all zones, and to increase

the 20-ride family tickets by such amount as to make those tickets equivalent to the cost of 17 one-way fares. Because of the nature of the proposed adjustments, the percentage of increase in individual fares varies as between zones and as between types of fares. The range of the proposed increases is from slightly over 6 percent to something less than 54 percent. The proposed fares are anticipated to provide additional passenger revenues of \$442,645 or an increase of 10.57 percent.

Evidence was offered by the Peninsula Commute and Transit Committee, the Commission staff, and by a number of individuals testifying on their own behalf, in opposition to the granting of the application.

Applicant presented evidence that it incurred an operating loss of in excess of \$3 million from its suburban operations between San Francisco and San Jose during 1972. It showed that effective April 1, 1973, labor costs increased approximately \$593,800 per annum over those for 1972. We take official notice of the Commission's Decision No. 79355 dated November 22, 1971 in Application No. 52613 which authorized the present commute fares. There SP presented evidence of an operating loss of \$1,974,000 from suburban operations; the staff estimated an operating loss of \$985,371 and because of income taxes considered the net loss to SP of conducting suburban services to be \$532,545. In the instant application the Commission staff did not make an analysis of the 1972 results of operations from the suburban service. It asserted that it had not done so because there is no question that SP has conducted, and is conducting, suburban operations at an operating loss.

Opposition to the proposed fare increases involves grounds other than a matter of the revenues derived therefrom being excessive. Setting aside for the moment issues regarding particular fares, the opposition to any increase in fares is based upon service deficiencies, allegations that SP has not attempted to increase its revenues by attracting more patronage, that it does not provide schedules needed by the public, that it has done nothing to assist the convenience of its patrons at terminal points, that it has not undertaken any long-range planning to ameliorate the trend toward larger deficits paralleled by a continuing decline in patronage, and that it has not entered into active negotiations with local, regional, state, and federal agencies with a view to establishing an appropriate basis whereby the peninsula passenger service presently operated by applicant might qualify for funding assistance. It was also alleged that the granting of the increase in fares will divert present patrons from the commute service to the use of private automobiles with a resultant adverse effect upon the environment.

There was evidence presented by the staff and protestants to support those allegations. An assistant transportation engineer of the Operations and Passenger Branch of the Transportation Division of the Commission testified that periodically the staff makes inspections of SP passenger stations and shelter sheds on the peninsula line. In 1970 a staff inspection revealed those facilities to be in serious need of maintenance and general cleaning. The staff informed SP concerning the conditions of its stations and shed facilities and the company did improve their condition in response to that notification. In February 1973 the staff again made its inspection of those facilities and again found that they had been allowed to deteriorate. Dirt, trash, and graffiti were found and

several facilities showed no evidence of general maintenance or regular cleaning. The staff wrote to SP listing the deficiencies it found and requested SP to inform it of the program of SP for the maintenance of the facilities and the frequency of such maintenance. No response to this inquiry has been received.

Six commuters testified for themselves. Four of them desired more frequent scheduling of trains at the off-peak hours. One, who styled himself a reverse-commuter, stated that there were not convenient schedules southbound in the morning and northbound in the evening. Two desired greater frequency of service on weekends. A number of them were dissatisfied with the older cars operated by SP in the commute service. Three were dissatisfied with the terminal facilities in wet weather. One witness stated that the bus line at Palo Alto and the buses of the San Francisco Municipal Railroad were not coordinated with train arrival and departures which resulted in delays and waiting at the SP terminals.

Two witnesses testified for the Peninsula Commute and Transit Committee. In general they testified concerning what has been accomplished in other parts of the United States with respect to transportation of passengers between urban areas and their suburbs and compared those actions with the actions and apparent policies of SP.

There is no need to describe all of the testimony presented. The evidence shows that there has been a continual decline in patronage in SP's suburban service. SP attributes that decline to the construction of freeways on the peninsula which makes it convenient for commuters to utilize private automobiles. The manager of the commute service testified that he is unaware of any long-range planning by SP toward attracting patronage to its suburban service and

that it has not entered into active negotiations with local, regional, state, and federal agencies with a view toward obtaining financial assistance for the operation of the service because it believes that as a private corporation SP cannot qualify for any such public funding. The manager testified that there have been no major changes in commuter schedules since 1964. He said that the line between San Francisco and Redwood Junction is so heavily traveled with freight and passenger trains that the trainmaster is hard pressed to spot carload traffic at the various industries and to pick up empty cars in the interval presently available to him. In essence, SP admits that it does not contemplate any major additions of schedules for passenger service during off-peak commute hours and implies that operational considerations will not permit that to be done.

In considering whether the allegations of the protestants and the staff, individually or in whole, constitute just cause to deny applicant any increase in fares, they must be considered along with the facts that the service is and has been operated at a deficit, and that the proposed increases will not provide revenues sufficient to offset increases in the cost of labor, nor will the increased fares provide revenues sufficient to cover the direct cost of providing the service. Where a public utility is earning a fair return from all of its operations the fact that it may be required to operate one segment at a loss is not an unjust confiscation of its property. Service may be required to be performed even at a loss where public convenience and necessity justify such conclusion. (Southern Pacific Company (1960) 58 CPUC 340.) There are limits, however, to the extent of the losses that may be justified. It would not be reasonable, for example, to require applicant to provide its suburban service free of charge even though that may benefit a large portion of the public by diverting traffic from the highways.

There is evidence that applicant has not maintained its cars and terminal facilities. It has not responded to the staff's inquiry concerning its program for cleaning and maintenance. Every public utility is required to maintain its facilities regardless of the level of its fares. (Public Util. Code Section 451.) The order herein should, and will, require applicant to notify the Commission of its program for the cleaning and maintenance of its cars and station facilities. If in the opinion of the Commission the program is deficient, remedial action can be taken in a separate proceeding.

There is evidence that there are passengers who would be inconvenienced by the establishment and maintenance of additional train schedules at off-peak hours. There is also evidence that the establishment of such additional schedules would be at the expense of efficient freight service to and from San Francisco and points on the peninsula. The well-being of the state and the communities served by applicant's suburban service is dependent upon efficient freight operations on that line as well as passenger service. It is to be noted that the staff did not present argument directly to this issue although it presented testimony with respect to the desirability of additional off-peak scheduling. The staff has the capability of developing evidence as to whether additional passenger schedules can be established and maintained at times convenient to the public (1) which will not interfere with the efficient conduct of other railroad operations on the line, and (2) which will not materially increase applicant's losses from the conduct of the suburban operations. If and when the staff notifies the Commission that it can make an affirmative showing thereon, the Commission will institute proceedings to determine whether applicant should be required to establish and maintain additional schedules.

There is evidence that applicant has not sought an alternative to the fare increase in the form of funds from federal, state, regional, or local agencies. The record in this proceeding does not indicate any public funds for which applicant, as a privately owned railroad corporation transporting passengers within and between points in three counties in California, would be eligible.

This record shows that applicant has done nothing in recent years, and does not contemplate doing anything in the future, to attempt to reverse the trend of declining traffic. The apparent attitude of applicant indicated in this record is one of being content to let the suburban service wither and die. The lack of any long-range planning would seem to lead to that result. No utility can successfully provide the public with adequate service at reasonable rates by confining its plans to a short-range month-to-month basis. (Citizens Utilities Company of California (1954) 53 CPUC 264.) To permit applicant's suburban service to just wither and die would certainly not be in accord with the announced policy of this state concerning the fostering and promotion of public transportation as embodied in the Metropolitan Transportation Commission Act, Statutes 1970, Chapter 891; and in the Mills - Alquist Act, Statutes 1971, Chapter 1400.

By the enactment of the Metropolitan Transportation Commission Act, the legislature elected to deal with the multiple problems caused by a lack of adequate public transportation on a regional basis by the establishment of a commission whose duties, among others, include a requirement that it formulate and adopt by June 30, 1973 a master plan for public transportation in the San Francisco Bay Area counties. We take notice that the Metropolitan

Transportation Commission formulated and adopted a Proposed Regional Transportation Plan on June 27, 1973 and certain revisions thereto on July 10, 1973. The SP suburban service is included in the consideration of that plan.<sup>1/</sup>

In the enactment of the Mills - Alquist Act the legislature found and declared:

"Public transportation is an essential component of the balanced transportation system which must be maintained and developed so as to permit the efficient and orderly movement of people and goods in the urban areas of the state. Public transportation systems provide an essential public service which must be available at a charge to the user which will encourage maximum utilization of the efficiencies of the service for the benefit of the total transportation system of the state, and which will not deprive the elderly, the handicapped, the youth, and the citizens of limited means of the ability to freely utilize the service."

In examining the history of SP's suburban operations and the continuing decline of passengers, it is not apparent that fare increases contributed to that decline. From 1956 to date there have been six fare increases: in 1957, 1961, 1967, 1969, 1970, and 1971.

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<sup>1/</sup> At Revised Page 18 the RTP states in connection with West Bay Corridor Issue No. WB-3 - Regional Trunkline Transit on Peninsula, that the issue is in Planning Status Category II (recommended for planning evaluation) with a high transportation system priority and comments:

"Plans for BART extensions and/or Express Bus service and/or SP commute service improvements, including transit access to SFO, are now in progress. Some staged improvements are high priority."

It also states that financing is included in their 10-year cost implementation program but that new funding sources need to be found.



There has been no greater decline during those years than during the intervening years. In general, SP's fares have been maintained at competitive levels, that is to say that considering differences in service the commute cost via SP has been close to or lower than the costs of other means of commutation. In Exhibits Nos. 7, 8, and 9, applicant compares the daily commute cost via SP under the proposed monthly 5-day ticket with the cost per person of commuting via private automobile assuming automobile costs of 6, 8, and 10 cents per mile. The exhibits show that if automobile costs are 6 cents per mile the daily commute cost for one person riding in the car would be substantially greater than if the person commuted by SP, and where two persons shared the cost of the automobile, the cost per person would still be greater than the SP service except from points north of Redwood City. Assuming an automobile cost of 10 cents per mile for commuting to work in San Francisco, the cost per person via SP service would be less expensive than the cost per person for three people sharing the automobile costs except from points north of California Avenue (Palo Alto). The same circumstance holds true under the present fares of SP. The difference in daily commute cost via SP under the proposed fares as compared with the present fares is 12 cents.

Nor does an examination of the history of applicant's suburban operations indicate that the decline in traffic may be attributed to the use of old cars. In 1955 applicant placed in service the first 10 of the gallery cars. In 1957 it placed in service 21 additional gallery cars and in 1968 it added an additional 15 gallery cars to its fleet. Table D-1 of Exhibit No. 35 shows that in 1954 applicant transported 8,867,063 passengers on its suburban service; 8,267,114 in 1956; 7,462,045 in 1958; 6,689,089 in 1967; 6,108,799 in 1969; and 5,439,053 in 1972. Those data indicate that the type of equipment used by applicant had little, if any, effect upon its passenger traffic.

Between 1960 and 1970 the population of the cities served by applicant between San Bruno and Sunnyvale, both inclusive, increased 28.66 percent, whereas applicant's passenger traffic decreased 16.88 percent. Applicant's only explanation of the decline is that the freeway improvements have made it more convenient for commuters to travel by private automobile. It is possible that that may be a reason. However, if the freeway improvements provided more expeditious travel, one could reasonably expect that there also would have been a greater use of the express buses utilizing the freeway. That has been shown not to have been the case. The traffic of Greyhound's peninsula express service has also declined. We have no statistical data concerning the use of private automobiles for commuting between San Francisco and peninsula points. One need only observe the James Lick Freeway during morning and evening hours to know that there are thousands of persons who use private automobiles to commute to and from work in San Francisco. There may be any number of reasons why individuals prefer to use the private automobile instead of existing rail and bus services, but expense considerations certainly cannot be a reason. As previously indicated, the daily cost to a commuter of using his private automobile to commute to and from work at San Francisco greatly exceeds the cost of using public transportation, in some instances three times as much. What circumstances would attract those persons to the use of applicant's suburban service are not immediately apparent.

The continual and substantial diminishing of applicant's traffic is good cause for alarm. In 1965 applicant transported 6,697,908 passengers at a loss. In 1972 with the identical schedules and service it transported 5,439,053 passengers. It is unrealistic to expect that the identical service can long endure faced with increasing costs of operation and a continuing decline in patronage. We cannot point the blame for the declining traffic entirely upon applicant as a number of protestants would have us do. As indicated above, the cars operated by SP and the fare increases have had little or nothing to do with it. In point of fact, no one knows for certain the reasons for the diminishing traffic. Applicant, and some protestants, surmises

that the traffic has been diverted to the private automobile. One could just as easily, and just as reasonably, surmise that the number of commuters has been declining. Applicant's operations are, and have been, organized to transport commuters from peninsula points to San Francisco in the morning and to transport them from San Francisco to peninsula points in the evening. Many years ago the peninsula communities could have been called the bedrooms of the San Francisco work force. The proliferation of industrial parks and office building complexes on the peninsula furnish evidence that such may no longer be the case.

The Commission does not know the causes of the withering away of applicant's patronage and doubts that any person or organization has assembled facts from which that determination can be made with any assurance. We find it very disturbing, however, that applicant itself has not attempted to diagnose its own illness nor has it apparently formulated any plans for the future regarding its suburban passenger operations. That is no way to run a railroad. We take notice of the current fuel shortages and of the announcements of the President of the United States and of actions by federal agencies concerned that look toward curtailment of the use of private automobiles. It seems apparent that many commuters by private automobile will soon look toward public transportation facilities to get them to and from work. Applicant's passenger facilities will play a necessary role in this regard. We anticipate that applicant is now actively evaluating the situation and is developing plans and alternatives in that regard. We are directing our staff to become informed of applicant's actions in that regard and to report its evaluation of what applicant can do, and what the Commission and other public agencies can do to meet the transportation problems which will arise from the fuel crisis.

Upon considering the arguments of protestants of why applicant should be denied any fare increase, and weighing the evidence in support thereof against the fact that the suburban passenger service is, and has been, conducted at an operating loss, and the fact that the sought increases in fares will not offset increases in costs incurred since the last fare adjustment, we do not find just cause to deny applicant increases in fares. We come now to the reasonableness and justification for increases in particular fares within the fare structure.

Applicant proposes to increase the one-way fares, the monthly commutation tickets, and the weekly commutation ticket by fixed amounts of dollars. It proposes to adjust the 20-ride family ticket to levels of 85 percent of 20 rides at the one-way fare (i.e., 20 rides for the price of 17 one-way fares). The staff recommends that if increases in fares to provide the additional passenger revenues sought by applicant are found to be justified by the Commission, the additional revenues should be obtained from the application of a uniform percentage increase in all fares. Excluding the 20-ride family ticket fares, applicant's proposal would result in a greater percentage of increase in fares for the shorter distances as compared with the fares for longer distances; whereas the staff proposal would impose greater monetary increases in fares for the longer distances than for the shorter.

The application of an increase in the form of a fixed amount of dollars and cents proposed by applicant relates more closely to the increases in costs of operations. In the operation of the suburban service, the actual cost to applicant of transporting passengers does not vary significantly with the distance the passenger travels. Keeping in mind the costs of commuting by private automobile and Greyhound's fare structure, applicant's proposal takes greater cognizance of the costs of competing forms of transportation

and of the value of the service than does the method suggested by the staff. It is also noted that the increases suggested by the staff would fall heaviest upon the preponderance of applicant's traffic. Two-thirds of applicant's patrons commute to San Francisco from points south of San Mateo. If applicant's traffic is affected by fare increases, the staff's suggestion would divert more traffic and more revenues than would the proposal of applicant.

Applicant asserts that its proposal to adjust the 20-ride family ticket fares is necessary to remove the discrimination in the amounts of discounts provided by those fares between different stations. It was pointed out that at present the discounts of the 20-ride family ticket from 20 one-way fares range from 17 percent to 41 percent. Applicant also asserts that in some instances, the cost per ride for the family ticket is sufficiently close to the 5-day monthly commute cost that commuters who can anticipate occasional rides to or from work with friends or neighbors utilize the 20-ride ticket in preference to the 5-day monthly commute. Applicant asserts that the use of the 20-ride ticket slows down the ticket taking on the trains because the conductor must punch the ticket, whereas he need only glance at the "flash-card" monthly commute ticket.

The 20-ride ticket is a volume use ticket. Its greatest use does not appear to be for members of a family taking the train at one time. It is used mainly by persons who have to commute to and from San Francisco with varying frequency during a month, such as three days per week. We also note that applicant publishes 5-day monthly commute ticket fares only to or from San Francisco. That fare is not available to persons who commute by SP between points on the peninsula south of San Francisco. Only the 7-day monthly, weekly, and 20-ride fares are available to commuters between those points.

The 20-ride fare is used by 11.29 percent of the passengers using the suburban service, provides 14.7 percent of the passenger revenues, and is an important part of applicant's fare structure. In the past, applicant has requested authority to discontinue the 20-ride ticket. In Southern Pacific Company (1964) 63 CPUC 244, at pages 249 and 250, the Commission pointed out that a study showed the actual time consumed by conductors in honoring the 20-ride ticket was less than the average time consumed in honoring the other type tickets, including the "flash" type tickets; and it found that the discontinuance of the 20-ride ticket would not result in savings of expenses to applicant. We are not persuaded that the use of the 20-ride ticket causes any delay in the work of conductors in honoring tickets.

The 20-ride fare is a volume fare as are the other types of commute fares. The discounts in the 5-day monthly commute fares, the 7-day monthly commute fares, and the weekly commute fares from the one-way fares are not uniform. The discounts are greater as the distances increase; however, the spreads of the discounts in those fares are substantially less than the range of 17 to 40 percent (23 percentage points) as is the case with the present 20-ride family ticket fares. The spread of the discounts in the proposed 5-day monthly commute fares ranges from 48 percent to 57 percent (9 percentage points).

Relating the price of a 20-ride ticket to 250 percent of the price for a weekly commute ticket<sup>2/</sup> will provide the following results:

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<sup>2/</sup> This is the present relationship of the 20-ride ticket to the weekly ticket for transportation between San Francisco and Zone 1.

Between San Francisco and Zone 1

<u>Type Fare</u>	<u>Present Fare</u>	<u>New Fare</u>	<u>Percent Increase</u>	<u>Percent Discount*</u>
One-way	\$ .90	\$ 1.05	16.7	-
Round trip	1.80	2.10	16.7	-
Mo. - 5 day	21.00	23.50	11.9	48.4
Mo. - 7 day	22.75	25.50	12.1	60.1
Weekly	6.00	6.75	12.5	54.1
20-ride	15.00	16.90#	12.7	19.5

Between San Francisco and Zone 6

One-way	\$ 2.15	\$ 2.30	7.0	-
Round trip	4.30	4.60	7.0	-
Mo. - 5 day	40.00	42.50	6.3	57.4
Mo. - 7 day	43.75	46.50	6.3	66.7
Weekly	12.25	13.00	6.1	59.6
20-ride	25.50	32.50#	27.5	29.3

\* Discount represents the amount of difference between the fare and the amount of the cost at the round-trip fares assuming that a passenger took one round trip each day the discounted fare was effective. For this purpose, the 5-day monthly ticket was assumed to have an effective period of 21.7 days, the 7-day monthly ticket a period of 30.4 days, and the weekly ticket a period of 7.0 days.

# Computed at 250 percent of weekly ticket, and where result is not in a multiple of five cents rounded off to the next multiple of five cents.

The establishment of 20-ride fares at 250 percent of the cost of a weekly ticket will reduce the spread of discounts in the 20-ride fares from 23 percentage points to less than 10 percentage points which conforms to the spreads of the discounts in other volume fares proposed by applicant. It will reduce the present competition of the 20-ride ticket with other commute fares maintained by applicant. For transportation within a single zone a 20-ride ticket at 250 percent of the cost of a weekly ticket would be in excess of 20 times the one-way fare. Accordingly, the formula for the 20-ride fares should be conditioned that the price not exceed 17 times the one-way fare.

Pursuant to the requirements of Public Law 93-69 (1973) 87 Stat. 162, also known as the Railroad Retirement Amendments of 1973, on October 16, 1973 the Commission entered its interim order in Decision No. 82004 in Application No. 54267 authorizing SP to increase its passenger fares for suburban service to offset the increases in payroll tax costs resulting from the provisions of the aforementioned enactment of Congress. The authorized increases in dollars and cents for each fare maintained by applicant are set forth in Appendix A of Decision No. 82004. Those increases in fares, and the increases in payroll taxes upon which they are predicated, are completely separate and apart from the costs and the fares considered in the instant proceeding; and pending further order in Application No. 54267 applicant will be authorized to apply the interim increases set forth in Appendix A of Decision No. 82004 to the fares which will be authorized herein.

We find that:

1. Applicant is, and has been, conducting its suburban passenger service at an operating loss.
2. Applicant's suburban passenger fares were last permanently adjusted pursuant to authority granted in Decision No. 79355 dated November 22, 1971 in Application No. 52613.
3. Without consideration of the increases in payroll taxes resulting from the enactment by Congress of the Railroad Retirement Amendments of 1973, as of April 1, 1973 labor costs of operating the suburban passenger service increased \$598,800 per annum over that experienced during 1972.
4. Applicant proposes to increase its passenger fares to provide additional revenues of \$442,600.
5. Under the proposed increased fares, applicant will continue to conduct its suburban passenger service at an operating loss.



6. Facilities for passenger service have not been maintained and have been permitted to deteriorate by applicant. There is evidence that applicant has not established nor has it adequately supervised a program for regular and frequent cleaning and maintaining of its passenger service facilities.

7. Applicant has maintained the same general level of service on its suburban passenger operation since 1964, and its passenger traffic has been declining at a substantial and continuing rate. The evidence does not show that this decline has been an effect of the cars operated by applicant or of fare increases published during the intervening period.

8. There is evidence that there are individuals who would be inconvenienced by the establishment of additional train schedules at off-peak hours. It has been shown that the establishment of additional train schedules at off-peak hours may be disruptive of efficient freight service conducted on the railroad line. It has not been shown whether or not the establishment of such additional passenger train schedules would increase or diminish the losses being incurred by applicant in the operation of the suburban passenger service.

9. The evidence does not disclose that there are public funds from federal, state, regional, or local agencies for which applicant would be eligible and which might provide an alternative to a fare increase as a means of obtaining additional monies to offset the operating losses being incurred on the suburban passenger service.

10. The proposed increased one-way, round-trip, 5-day monthly commutation, 7-day monthly commutation, weekly commutation, and student commutation fares are reasonable, and the increases that will result from the establishment of those fares have been shown to be justified.

11. Twenty-ride family ticket fares maintained by applicant are volume discounted fares. The uniform discount of 15 percent in the proposed 20-ride family ticket fares does not comport with the method of discounting other volume fares proposed by applicant where the amount of discount increases with the distance of transportation.

12. The proposed 20-ride family ticket fares have not been shown to be reasonable in comparison with other volume discounted fares proposed by applicant, and the increases resulting from the establishment of the proposed 20-ride fares have not been shown to be justified.

13. The discounts in the present 20-ride family ticket fares do not comport with the discounts provided in other volume fares proposed by applicant, and which will be authorized, and the present 20-ride fares for the future will be unreasonable and unjust.

14. The establishment of 20-ride family ticket fares at levels of 250 percent of weekly commutation ticket fares for transportation between the same points will result in just, reasonable, and nondiscriminatory 20-ride family ticket fares, and the increases resulting from the establishment of such fares have been shown to be justified.

We conclude that:

1. Applicant should be directed to report to the Commission a program for the cleaning and maintenance of its cars and station facilities and for the supervision thereof.

2. At this time, applicant should not be required to obtain new passenger train equipment or to engage in additional promotional activities to attract additional passengers.

3. Applicant should be authorized to establish the increased fares proposed in its application except the proposed increased 20-ride family fares.

4. Applicant should be authorized to establish 20-ride family fares at a level of 250 percent of its proposed weekly commutation fares; and where the result is a fare not in multiples of 5 cents, it should be rounded off to the next multiple of 5 cents, but such 20-ride fare shall not exceed 17 times the applicable one-way fare.

5. Pending further order in Application No. 54267, applicant should be authorized to add the increases in fares set forth in Appendix A of Decision No. 82004 to the increased fares which will be authorized herein.

O R D E R

IT IS ORDERED that:

1. Southern Pacific Transportation Company, a corporation, is authorized to establish the increased fares, other than the increased 20-ride family fares, proposed in Application No. 53666; and is authorized to establish increased 20-ride family fares at a level of 250 percent of the proposed weekly commutation fares, but not to exceed 17 times the one-way fare, and where the result so obtained is not a multiple of 5 cents, it shall be rounded upward to the nearest multiple of 5 cents as set forth in Appendix A.

2. Pending further order in Application No. 54267, the interim increases in fares authorized in Decision No. 82004 may be added to the increased fares authorized in the preceding paragraph. The total fare is set forth in Appendix B.

3. Tariff publications authorized to be made as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective on not less than five days' notice to the Commission and to the public.

4. The authority granted herein shall expire unless exercised within one hundred and twenty days after the effective date of this order.

5. Southern Pacific Transportation Company is directed to post and maintain in its passenger cars operated in suburban service on the San Francisco Peninsula and in its depots at San Francisco, San Jose, and intermediate stations a notice of the increased fares herein authorized. Said notice shall be posted not less than five days prior to the effective date of the increased fares and shall remain posted for a period of not less than thirty days.

6. Southern Pacific Transportation Company shall, within thirty days after the effective date of this order, submit a report to the Commission setting forth a program for the cleaning and maintenance of its cars and station facilities and for the supervision thereof.

7. In all other respects, Application No. 53666 is denied.

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

Dated at San Francisco, California, this 7<sup>th</sup>  
day of DECEMBER, 1973.

Vernon L. Sturgeon  
President  
William J. Howard  
William J. Howard  
William J. Howard  
William J. Howard  
Commissioners

APPENDIX A  
PAGE 1 of 2ADULT FARESONE-WAY AND ROUND-TRIP FARES  
MONTHLY AND WEEKLY COMMUTATION FARES  
20-RIDE FAMILY FARES

<u>And</u>	<u>Between</u>	<u>San Francisco</u> (3rd St.) 23rd St. Paul Ave. Bayshore	<u>Class of Tickets</u>						
San Francisco (3rd St.)	One Way	\$ 0.65							
23rd Street	Round Trip	1.30							
Paul Avenue									
Bayshore									
				<u>Zone 1</u>					
<u>Zone 1 (Red)</u>	One Way	1.05		\$ 0.65					
Butler Road	Round Trip	2.10		1.30					
So. S. F.	Mon.(5-Day Week)	23.50		-					
San Bruno	Monthly	25.50		20.75					
Millbrae	Weekly	6.75		5.25					
	20-Ride	16.90		11.05					
				<u>Zone 2</u>					
<u>Zone 2 (Green)</u>	One Way	1.25		.95	\$ 0.65				
Broadway	Round Trip	2.50		1.90	1.30				
Burlingame	Mo.(5-Day Week)	27.50		-	-				
San Mateo	Monthly	30.00		24.75	20.75				
Hayward	Weekly	7.75		6.35	5.25				
	20-Ride	19.40		15.90	11.05				
				<u>Zone 3</u>					
<u>Zone 3 (Orange)</u>	One Way	1.55		1.25	.95	\$ 0.65			
Hillsdale	Round Trip	3.10		2.50	1.90	1.30			
Belmont	Mo.(5-Day Week)	31.50		-	-	-			
San Carlos	Monthly	34.50		29.25	24.75	20.75			
Redwood City	Weekly	8.75		7.45	6.35	5.25			
	20-Ride	21.90		18.65	15.90	11.05			
				<u>Zone 4</u>					
<u>Zone 4 (Blue)</u>	One Way	1.85		1.55	1.25	.95	\$ 0.65		
Atherton	Round Trip	3.70		3.10	2.50	1.90	1.30		
Menlo Park	Mo.(5-Day Week)	35.50		-	-	-	-		
Palo Alto	Monthly	39.00		34.00	29.25	24.75	20.75		
California Ave.	Weekly	10.25		8.80	7.45	6.35	5.25		
	20-Ride	25.65		22.00	18.65	15.90	11.05		
				<u>Zone 5</u>					
<u>Zone 5 (Yellow)</u>	One Way	2.15		1.85	1.55	1.25	.95	\$ 0.65	
Castro	Round Trip	4.30		3.70	3.10	2.50	1.90	1.30	
Mountain View	Mo.(5-Day Week)	39.50		-	-	-	-	-	
Sunnyvale	Monthly	43.75		38.50	34.00	29.25	24.75	20.75	
	Weekly	11.60		9.85	8.80	7.45	6.35	5.25	
	20-Ride	29.00		24.65	22.00	18.65	15.90	11.05	
				<u>Zone 6</u>					
<u>Zone 6 (Brown)</u>	One Way	2.30		2.15	1.85	1.55	1.25	.95	\$ 0.65
Santa Clara	Round Trip	4.60		4.30	3.70	3.10	2.50	1.90	1.30
College Park	Mo.(5-Day Week)	42.50		-	-	-	-	-	
San Jose	Monthly	46.50		43.75	38.50	34.00	29.25	24.75	20.75
	Weekly	13.00		11.55	9.85	8.80	7.45	6.35	5.25
	20-Ride	32.50		28.90	24.65	22.00	18.65	15.90	11.05

APPENDIX A  
PAGE 2 OF 2

STUDENTS' WEEKLY AND MONTHLY COMMUTATION FARES \*  
(WITHOUT SATURDAYS AND SUNDAYS)

<u>And</u>	<u>Between</u>	<u>San Francisco (3rd St.) 23rd St. Paul Ave. Bayshore</u>	<u>Zone 1</u>						
Zone 1	Monthly *	\$14.50	\$11.60						
	Weekly	4.50	3.80	<u>Zone 2</u>					
Zone 2	Monthly *	17.35	14.50	\$11.60					
	Weekly	5.25	4.50	3.80	<u>Zone 3</u>				
Zone 3	Monthly *	20.15	17.35	14.50	\$11.60				
	Weekly	6.00	5.25	4.50	3.80	<u>Zone 4</u>			
Zone 4	Monthly *	22.90	20.15	17.35	14.50	\$11.60			
	Weekly	6.65	6.00	5.25	4.50	3.80	<u>Zone 5</u>		
Zone 5	Monthly *	25.75	22.90	20.15	17.35	14.50	\$11.60		
	Weekly	7.35	6.65	6.00	5.25	4.50	3.80	<u>Zone 6</u>	
Zone 6	Monthly *	28.50	25.75	22.90	20.15	17.35	14.50	\$11.60	
	Weekly	8.00	7.35	6.65	6.00	5.25	4.50	3.80	

\* Monthly commutation tickets without Saturdays and Sundays. Stations located in each zone will be the same as shown on Appendix A, Page 1 of 2.

ADULT FARES\*  
ONE-WAY AND ROUND-TRIP FARES  
MONTHLY AND WEEKLY COMMUTATION FARES  
20-RIDE FAMILY FARES

<u>Between</u>	<u>San Francisco</u> <u>(3rd St.)</u> <u>23rd St.</u> <u>Paul Ave.</u> <u>Bayshore</u>	<u>Class of</u> <u>Tickets</u>	<u>One Way</u>	<u>Round Trip</u>	<u>Zone 1</u> <u>\$ 0.70</u>	<u>Zone 2</u> <u>\$ 0.70</u>	<u>Zone 3</u> <u>\$ 0.70</u>	<u>Zone 4</u> <u>\$ 0.70</u>	<u>Zone 5</u> <u>\$ 0.70</u>	<u>Zone 6</u> <u>\$ 0.70</u>
<u>And</u> San Francisco (3rd St.) 23rd Street Paul Avenue Bayshore		One Way	\$ 0.70	1.40						
		Round Trip								
<u>Zone 1 (Red)</u>		One Way	1.10	2.20	\$ 0.70	1.40				
Butler Road		Round Trip								
South San Francisco		Mo. (5-Day Week)	24.75	-						
San Bruno		Monthly	27.00	22.00						
Millbrae		Weekly	7.15	5.60						
		20-Ride	18.00	12.00						
<u>Zone 2 (Green)</u>		One Way	1.30	2.60	1.00	\$ 0.70	1.40			
Broadway		Round Trip								
Burlingame		Mo. (5-Day Week)	29.00	-						
San Mateo		Monthly	31.75	26.25	22.00					
Hayward		Weekly	8.20	6.75	5.60					
		20-Ride	20.65	17.00	12.00					
<u>Zone 3 (Orange)</u>		One Way	1.60	3.20	1.30	1.00	\$ 0.70	1.40		
Hillsdale		Round Trip								
Belmont		Mo. (5-Day Week)	33.25	-						
San Carlos		Monthly	36.50	31.00	26.25	22.00				
Redwood City		Weekly	9.25	7.90	6.75	5.60				
		20-Ride	23.30	19.90	17.00	12.00				
<u>Zone 4 (Blue)</u>		One Way	1.95	3.90	1.60	1.30	1.00	\$ 0.70	1.40	
Atherton		Round Trip								
Menlo Park		Mo. (5-Day Week)	37.50	-						
Palo Alto		Monthly	41.25	36.00	31.00	26.25	22.00			
California Ave.		Weekly	10.85	9.30	7.90	6.75	5.60			
		20-Ride	27.20	23.40	19.90	17.00	12.00			
<u>Zone 5 (Yellow)</u>		One Way	2.25	4.50	1.95	1.60	1.30	1.00	\$ 0.70	1.40
Castro		Round Trip								
Mountain View		Mo. (5-Day Week)	41.75	-						
Sunnyvale		Monthly	46.25	40.75	36.00	31.00	26.25	22.00		
		Weekly	12.25	10.45	9.30	7.90	6.75	5.60		
		20-Ride	30.70	26.20	23.40	19.90	17.00	12.00		
<u>Zone 6 (Brown)</u>		One Way	2.40	4.80	2.25	1.95	1.60	1.30	1.00	\$ 0.70
Santa Clara		Round Trip								
College Park		Mo. (5-Day Week)	45.00	-						
San Jose		Monthly	49.25	46.25	40.75	36.00	31.00	26.25	22.00	
		Weekly	13.70	12.20	10.45	9.30	7.90	6.75	5.60	
		20-Ride	34.35	30.60	26.20	23.40	19.90	17.00	12.00	

\* Total Fare includes increases granted in Decision 82004, Application 54267 in effect October 1, 1973 and current increase granted in Decision related to Application 53666.

APPENDIX B  
PAGE 2 OF 2

STUDENTS' WEEKLY AND MONTHLY COMMUTATION FARES ##  
(WITHOUT SATURDAYS AND SUNDAYS)

<u>And</u>	<u>Between</u>	San Francisco (3rd St. 23rd St. Paul Ave. Bayshore)	<u>Zone 1</u>						
Zone 1	Monthly *	\$ 15.50	\$ 12.40						
	Weekly	4.80	4.05	<u>Zone 2</u>					
Zone 2	Monthly *	18.50	15.50	\$12.40					
	Weekly	5.60	4.80	4.05	<u>Zone 3</u>				
Zone 3	Monthly *	21.45	18.50	15.50	12.40				
	Weekly	6.40	5.60	4.80	4.05	<u>Zone 4</u>			
Zone 4	Monthly *	24.35	21.45	18.50	15.50	12.40			
	Weekly	7.10	6.40	5.60	4.80	4.05	<u>Zone 5</u>		
Zone 5	Monthly *	27.40	24.35	21.45	18.50	15.50	12.40		
	Weekly	7.85	7.10	6.40	5.60	4.80	4.05	<u>Zone 6</u>	
Zone 6	Monthly *	30.35	27.40	24.35	21.45	18.50	15.50	12.40	
	Weekly	8.55	7.85	7.10	6.40	5.60	4.80	4.05	

\* Monthly commutation tickets without Saturdays and Sundays. Stations located in each zone will be the same as shown on Appendix B, Page 1 of 2.

## Total fare includes increases granted in Decision 82004, Application 54267 in effect October 1, 1973 and current Decision related to Application 53666.