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The Commonwealth of Massachusetts

ANNUAL REPORT

OF THE

Department of Public Utilities

FOR THE

Year Ending November 30, 1933

COMMISSIONERS' REPORT



DEPARTMENT OF PUBLIC UTILITIES
ANNUAL REPORT

State House, Boston, January 17, 1934.

To the Honorable Senate and House of Representatives in General Court Assembled:

We respectfully submit the fourteenth annual report of the Department of Public Utilities for the fiscal year ended November 30, 1933.

Henry W. Seward, Director of the Railway and Motor Bus Division, died on February 4, 1933. Mr. Seward was appointed a railroad inspector by the Board of Railroad Commissioners on November 27, 1907, and served in that capacity until October 18, 1919, when he was appointed Chief of the Inspection Division of the Department of Public Utilities. This title was later changed to that of Director of the Railway and Motor Bus Division. Prior to his appointment as railroad inspector, he was employed by the Fitchburg Railroad Company in various capacities for over twenty years, serving as Station Agent, Telegraph Operator and Train Despatcher, Clerk in the General Superintendent's office, Ticket Seller and Assistant Paymaster. He therefore had a varied experience in railroad matters and this experience combined with his ability and integrity made him a valued employee of the Commonwealth. This Department and the Commonwealth lost the services of an experienced, able and honest officer by his death.

John H. Parant was appointed inspector by the Board of Railroad Commissioners on November 27, 1907, and served until March 20, 1933, when he was retired because he had reached the age of seventy. Prior to his appointment as inspector, he was employed as Yard Clerk and Brakeman, Yard Conductor and Assistant Yardmaster, Passenger Brakeman, Baggage-master, Passenger Conductor and Claim Agent with the Boston and Maine Railroad for some twenty-five years. He rendered efficient and valuable service to the Commonwealth during the entire term of his employment.

Ernest S. Rafuse was appointed inspector to fill the position made vacant by the retirement of Mr. Parant.

Edward Stevens, who served as deputy meter inspector since April 1, 1911, retired on April 11, 1933, having reached the age of 70 years, after 22 years of efficient service. An exceedingly conscientious man, Mr. Stevens was always faithful to his daily round of duty, and it is to be regretted that he was compelled to leave the employ of the Commonwealth.

The number of corporations, private and municipal, persons, firms, and associations under the jurisdiction of and filing annual returns with the Department exclusive of those filing under the Sale of Securities Act is as follows:

Steam railroads	25	Electric companies	55
Street railways	28	Water companies	50
Telephone companies	15	Motor bus lines	66
Telegraph companies	4	Municipal lighting plants	41
Steamboat companies	3	Manufacturing and other companies doing an electric business	4
Sleeping car companies	1	Voluntary associations	31
Express companies	4		
Gas companies	52		
		Total	379

During the year the Department held 390 formal hearings and many informal hearings or conferences. The following tabulation, showing the number of proceedings instituted, indicates the volume of work requiring the Department's attention during the fiscal year:

Petitions: Railroad, 57; street railway, 27; gas, 37; electric, 46; water, 8; sale of securities (appeals) 14; motor bus lines, 103; sight-seeing lines, 1; total, 293.

Special Investigations: Railroad, 1; street railway, 1; electric, 7; water, 4; total, 13.

Applications for Special Permits: Railroad, 221; street railway, 16; gas and electric, 13; motor bus lines, 21; steamboat, 4; express, 4; total, 279.

Complaints: Railroad, street railway and motor bus lines, 88; telephone and telegraph, 880; gas, 201; electric, 543; water, 26; sale of securities, 1140; smoke abatement, 243; total, 3121.

Tariff or Schedule Filings: Railroad, freight service, 1572; passenger service, 344; street railway, 31; express, 86; telephone, 71; telegraph, 2; motor bus lines, 39; electric, 331; gas, 155; water, 3; total, 2634.

RAILROADS

The revenues of the railroads operated in the Commonwealth have continued to decline, their revenues during the year 1933 being substantially less than those of 1932. As we pointed out in our report of last year the decline in revenues necessarily forces economies and these economies often result in the withdrawal of service. The public have continued to show a co-operative spirit, however, with the result that there have been few complaints as to service.

The financial situation of the railroads has made it impossible to undertake any very substantial work in the elimination of grade crossings. The National Industrial Recovery Act has made available to the Commonwealth funds to be employed in the relief of unemployment. We believe that these funds could be devoted to no better purpose than the elimination of grade crossings on the main lines of the railroads. The expenditures would be of lasting benefit to the public and would facilitate travel both on the railroads and the highways and would, at the same time, eliminate a source of danger to the public. The National Industrial Recovery Act makes reference to the elimination of grade crossings as a means of relief of unemployment. We recommend that such funds as the Commonwealth can use, together with funds received from the United States government, be used to a substantial extent in the elimination of grade crossings without requiring contribution by the railroad. The following table shows the number of persons killed and injured at railroad grade crossings during the year:

Accidents at Grade Crossings during the Year Ending November 30, 1933

RAILROADS	PROTECTED CROSSINGS			Ratio of Casualties to Crossings	UNPROTECTED CROSSINGS			Ratio of Casualties to Crossings
	Number of Crossings	Killed	Injured		Number of Crossings	Killed	Injured	
Boston and Albany.....	71	2	—	1-35	115	1	—	1-115
Boston and Maine.....	458	3*	—	1-153	219	4	2	1-37
Boston, Revere Beach & Lynn	11	—	—	—	—	—	—	—
Hoosac Tunnel & Wilmington	—	—	—	—	2	—	—	—
Central Vermont.....	6	—	—	—	40	5	—	1-8
New York, New Haven & Hartford.....	427	3	5	1-53	285	3	2	1-57
Fore River.....	3	—	—	—	—	—	—	—
Totals.....	976	8	5	1-75	661	13	4	1-39

* Including 1 crossing tender killed.

Total Number of Grade Crossing Accidents.....	22
Number involving automobiles.....	19
Number involving pedestrians.....	3

STREET RAILWAYS

Service by motor vehicles in place of street cars has increased. Trolley cars are now operated only by the following companies:

Boston Elevated Railway Company
 Eastern Massachusetts Street Railway Company
 Union Street Railway Company
 Worcester Street Railway Company
 Linwood Street Railway Company
 Springfield Street Railway Company
 Holyoke Street Railway Company
 Greenfield & Montague Transportation Area

All the above companies, except the Linwood Street Railway Company and the Greenfield and Montague Transportation Area, also operate busses.

Trackless trolleys and busses are operated by the Fitchburg and Leominster Street Railway.

The Athol and Orange Transportation Area has abandoned operation. This area is now served by the Gardner and Templeton Street Railway Company by busses.

During the year the Northampton Street Railway Company abandoned the use of street cars and is now operating only busses.

SPECIAL INVESTIGATIONS

In accordance with the provisions of section 3 of chapter 333 of the Acts of 1931, upon notice from the trustees that a deficit had occurred, the Department made an investigation of the operations and expenses of the Boston Elevated Railway Company. A report in writing was made by the Department containing its findings together with recommendations. Such report was transmitted to the Governor and to the members of the Metropolitan Transit Council on September 29, 1933.

An investigation in accordance with the provisions of chapter 17 of the Resolves of 1933 relative to the erection and maintenance of protective devices at railroad crossings, drawbridges and other locations was made. A hearing thereon was held and a report was submitted to the General Court.

In accordance with the provisions of an order by the Senate, the Department inquired into the feasibility and expediency of prohibiting so-called service charges in domestic or household rate schedules of gas and electric companies. A hearing was held thereon and a report submitted to the Clerk of the Senate.

MOTOR VEHICLES

There are ninety-two persons and corporations operating motor vehicles under certificates of public convenience and necessity granted by the Department. These include railways and railroads and subsidiaries of the latter. The number of certificates of public convenience and necessity granted by the Department during the year was eighty. These were issued to 24 different persons and corporations mainly for extensions of or changes in existing routes.

During the fiscal year the Department issued 173 bus permits and 25 duplicate permits, and received therefor fees amounting to \$1,730 and \$12.50 respectively; and 4,164 drivers' licenses and 4 duplicate licenses, and received therefor fees amounting to \$4,164, and \$2 respectively; with postage 10c., making a total of \$5,908.60.

No additional certificates have been granted during the year for the operation of sight-seeing automobiles under the provisions of chapter 399 of the Acts of 1931.

The operation of chapter 372 of the Acts of 1933, providing for the regulation by the Department of motor vehicles transporting property for hire, has been suspended by the filing of a referendum petition.

GAS, ELECTRIC AND WATER COMPANIES

While there are no figures available as yet as to the revenues of the gas and electric companies, we are of the opinion that the figures will show no substantial gain for the year 1933 over that of 1932 in most of the companies.

76,971 meters were tested and sealed by the Gas, Electric and Water Division, 19,411 of these being prepayment meters. 1603 meters of this total were meters tested on complaint of either the consumer or the company. Seventeen wet experimental meters, one 5-foot prover and thirteen calorimeter thermometers were calibrated. One additional automatic gas valve was examined and approved under the provisions of section 75A of chapter 164 of the General Laws (Tercentenary Edition). During an investigation of a district where a general complaint had been made of sudden increases in the bills rendered, two electric light meters were tested on complaint of the consumer while seven others were selected and tested by the Division.

627 tests of the quality of the gas supplied by the various gas companies were made, 48 instances of the gas being below standard being found.

770 complaints were received and investigated against the various gas, electric and water companies, 201 of which were gas, 543 electric and 26 water.

The total amount of fees received was \$19,313.80; and for miscellaneous sales \$271.55, making a total of \$19,585.35.

TELEPHONE AND TELEGRAPH

For a number of years prior to 1930, at which time the telephone company stations reached the maximum, there were many extensions of base rate areas which afforded greater telephone opportunities without the imposition of the so-called mileage charge which has always been a disturbing factor. Since 1930 there has been comparatively little community growth throughout the state with the result that during the past year the number of base rate extensions has been very few.

The decrease in the number of stations continued during the year, the minimum being reached in November which showed 794,103 as against 826,882 stations on January 1, 1933. The net loss since the peak of 1930 has been 120,879 stations in Massachusetts.

About the usual number of complaints were made during the year, having to do mostly with service and collection practices of the company.

CAPITAL STOCK AND BONDS

Sixteen applications for approval of issues of stock, bonds or notes have been decided during the year which ended November 30, 1933. The par value of securities to the amount of \$15,373,100, was approved.

The following table shows the securities approved by the Commission for the several companies applying therefor, giving both the par value of the capital stock and the issue price thereof, determined as required by law:

COMPANY	CAPITAL STOCK APPROVED			Bonds Approved at Par	Date
	Amount at Par	Issue Price	Value at Issue Price		
Arlington Gas Light Company	\$381,500	\$101.18	\$386,001.70 ¹	-	June 16
Bondsville Water Company	25,000	100.00	25,000.00 ²	-	Dec. 13
Boston and Albany Railroad Company	-	-	-	\$7,000,000	Mar. 14
Boston Elevated Railway Company	-	-	-	3,000,000 ³	May 26
Boston Metropolitan District	-	-	-	3,000,000 ⁴	June 8
Boston, Revere Beach and Lynn Railroad Company	-	-	-	1,000,000 ⁵	Jan. 19
Harvard Electric Company	65,000	141.14	91,741.00 ⁶	-	May 5
Malden and Melrose Gas Light Company	-	-	-	-	-
Marlborough Electric Company	1,062,425	25.00	1,062,425.00	-	Feb. 9
Montaup Electric Company	221,500	100.00	221,500.00 ⁷	-	July 21
Old Colony Railroad Company	265,300	100.00	265,300.00	-	June 5
Pittsfield Electric Company	-	-	-	600,000	Nov. 10
Pittsfield Electric Company	1,100,000	125.00	1,375,000.00	-	July 12
Westborough Gas and Electric Company	200,000	100.00	200,000.00 ⁸	-	Dec. 2
Weymouth Light and Power Company	68,000	125.00	85,000.00	-	Jan. 18
Worcester Suburban Electric Company	306,250	25.00	306,250.00 ⁹	-	July 21
Worcester Suburban Electric Company	78,125	40.00	125,000.00 ¹⁰	-	Nov. 17

¹ To purchase Woburn Gas Light Company and Lexington Gas Company.

² Original capital stock.

³ Registered or coupon bonds or notes.

⁴ Approved as to maturity and interest rate only.

⁵ Maturity of bonds extended five years.

⁶ To purchase Ayer Electric Company.

⁷ To purchase Westborough Gas and Electric Company.

⁸ To purchase Lee Electric Company.

⁹ To purchase Randolph and Holbrook Power and Electric Company.

¹⁰ To purchase The Blackstone Electric Light Company.

MUNICIPAL LIGHTING PLANTS

We herewith set forth a list of the municipal gas and electric plants with earnings which, from reports filed in 1933 for the year 1932, appear to have violated the provisions of the Statute requiring them to reduce their rates when the plants have earned a profit in excess of the eight per cent allowed by law:

	Per Cent		Per Cent
Braintree	8.88	Peabody	30.14
Littleton	8.57	Shrewsbury	8.62
Norwood	10.50	South Hadley	8.90

SECURITIES DIVISION

In 1933, a total of 3,841 salesmen and 651 brokers were registered. Fees for such registrations received and paid to the treasurer of the Commonwealth amounted to \$51,765 and miscellaneous fees of \$23, making a total of \$51,788. The sale in this Commonwealth, during the year 1933, of securities of persons, corporations or other organizations having an aggregate par value of \$204,437,688.00 has been forbidden by the Securities Division. Since the effective date of the Sale of Securities Act (August 26, 1921) up to November 30, 1933, the proposed sale of securities having an aggregate par value of \$2,712,632,731.14 has been prohibited. Fifty-one formal hearings were held by the Commission or by the Director of the division during the past year on complaints arising in connection with sales of securities or the manner in which brokers or salesmen conducted their business. Fourteen appeals were made to the Commission from orders of the Securities Division. The registrations of 20 brokers and 195 salesmen were cancelled pursuant to their request. The registrations of 11 brokers and 268 salesmen were cancelled on the register by orders of the division. In addition to the formal hearings, approximately 1140 complaints against brokers and salesmen were investigated by the Division. Four cases were referred to the Attorney General during the year.

SMOKE ABATEMENT

In accordance with the provisions of Chapter 76 of the Acts of 1933 the Division of Smoke Inspection was abolished May 31, 1933. The said Chapter further repealed Chapter 412 of the Acts of 1930, which provided that the Director of the Division of Smoke Inspection should approve the plans and specifications of all new power and heating plants, blast furnaces, incinerators, chimneys, and plans for substantially reconstructing plants which existed as of January 1, 1931.

After May 31, 1933, the enforcement of the provisions of Chapter 651 of the Acts of 1910 has been carried on by the Department as formerly carried on prior to the creation of the Division. On account of the greatly reduced budget available for the second half of the year, the number of employees was reduced from nineteen to six. On May 31, 1933, the offices on the twenty-third floor of the United Shoe Machinery Building were vacated and on the day previous such of the furniture and equipment as was needed for the smaller force was moved to the new office on the tenth floor of the Public Works Building at 100 Nashua street.

During the six months ended May 31, 1933 there was submitted 90 applications for the approval of plans under the provisions of Chapter 412 of the Acts of 1930. 93 permits to install and 124 permits to operate were issued. During the year ended November 30, 1933, 180,040 observations were made and there were 712 violations. 112 hearings were given, 29 orders were issued and there were 4 court cases.

Respectfully submitted,

HENRY C. ATTWILL, *Chairman*,
HENRY G. WELLS,
LEONARD F. HARDY,
A. C. WEBBER,
LEO H. LEARY,

Commissioners.

