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Decision No. 14234.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of )  
SOUTHERN PACIFIC COMPANY for an order )  
permitting discontinuance of motor car :Application No. 10354  
service on COLUSA-HAMILTON BRANCH and )  
substituting in place thereof a mixed )  
train. )

V.S. Andrus and L.V. Young for Applicant  
Van Bernard for Protestants.  
Mary A. Beat, Postmistress, Glenn, Protestant  
Myra C.E. Willis, Protestant  
J. O. Bondurant, Protestant  
M. J. Boggs, for Colusa County Chamber of  
Commerce, Protestant.  
Oscar Robinson, for City of Colusa, Protestant  
J. J. O'Rourke, for Colusa Chamber of Commerce,  
Protestant.  
D.W. Bryant, Colusa, Protestant.  
Miss Mary A. Dempsey, Postmistress, Colusa, Pro-  
testant.  
W. F. Howell, H. L. Houchines and C. J. Prole  
for Grimes Chamber of Commerce, Protestant.  
W. F. Bondurant, Butte City, Protestant  
J. N. Westberg, Butte City, Protestant  
S.C. Davis, Ordbend, Protestant  
F.A. Bushee, Ordbend, Protestant  
V. R. Small, Ordbend, Protestant  
J.W. Jessup, Ordbend, Protestant  
C.J. Johnson, Butte City, Protestant

BY THE COMMISSION:

O P I N I O N

Southern Pacific Company, a corporation, has petitioned the Railroad Commission for an order authorizing the discontinuance of a passenger motor car service now operated between Harrington and Orland on its Hamilton-Colusa Branch of the Sacramento Division, and to substitute therefor a mixed train service.

A public hearing on this application was conducted by Examiner Handford at Colusa at which time the matter was duly submitted and it is now ready for decision.

Applicant alleges that since June 8, 1924 and up to the present time it has operated a daily passenger motor car service of one round trip between Harrington and Orland serving the intermediate stations of College City, Graino, Grimes, Sycamore, Dolan, Colusa, Stegeman, Princeton, Codora, Glenn, Ordbend, Rotavele, Hamilton and Wyo; that during the period from February 25th to June 7th, 1924, inclusive, a mixed train was operated under informal permission of this Commission but owing to many protests being received said mixed train service was substituted by the passenger motor car service; that the passenger motor car service now maintained does not attract sufficient patronage to justify its continued operation and that the cost and expense of operation far exceeds the revenue derived from said operation and now results, and will continue to result, in a loss to applicant herein and thus place an undue and unwarranted burden on the applicant and indirectly upon the general public. That immediately upon the discontinuance of the passenger motor car service, should such be authorized by the granting of the application herein, it is the intention of applicant to establish and hereafter maintain a mixed train service making a round trip daily between the points hereinabove mentioned; and that the operation of the proposed mixed train service will be more economical than the present service and that such proposed service, together with other existing transportation facilities will adequately meet the public need for transportation.

Mr. L.V.Young, a witness for applicant, presented exhibits showing revenue and expenses of the passenger motor car operation for the period June 9th to September 20th, 1924, inclusive; comparison of cost of performing train service on the Colusa-Hamilton Branch for a typical month under the present and proposed service;

and a comparison of the present passenger motor car schedule with the proposed mixed train schedule.

The following pertinent data has been abstracted from the exhibits filed:

Operation of Passenger Motor Car.

Period - June 9th to September 20th, inclusive, 1924.

Revenue

Passenger	-	\$1023
Mail	-	1298
Express	-	438
Baggage	-	<u>13</u>

Total	\$2772.
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Expenses

Operating Expense -	\$5488
Taxes (7% on \$2772)	<u>194</u>

Total	<u>\$5682</u>
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Net Loss for Period	\$2910
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Average revenue per day	\$26.65
" expense " "	54.63
" loss " "	27.98

Comparison of cost of Present Train Operation on Colusa-Hamilton Branch (Month of July 1924) with proposed Mixed Train Operation as formerly in effect (Month of March, 1924).

Motor car Expense -	\$1611.67
Local Freight Train Expense -	<u>4535.58</u>

Total	\$6147.25
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Mixed Train Service Expense -	<u>5209.51</u>
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Saving per month under proposed method of operation -	987.74
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Annual saving under proposed method of operation -	\$11252.88
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Under the proposed time schedule the mixed train would leave Orland at 6:30 A.M. instead of the motor car schedule of 8:10 A.M. and would arrive at Harrington at 11:15 A.M. as does the motor car at present. Returning the mixed train would leave

Harrington at 11:50 A.M. (which is also the scheduled leaving time of the motor car) arriving at Orland at 4:40 P.M. instead of 3:05 P.M. which is the present scheduled arrival for the motor car.

The items of expense appearing in all exhibits filed cover only direct train operating costs and taxes on gross revenue as regards the motor car operation. No expense has been claimed for items of maintenance of way and structures, conducting transportation (other than direct train operating costs), traffic or general expenses, or any interest on the investment in property used in the service.

The granting of the application is protested by the residents of the several communities served by the Colusa-Hamilton Branch, and sixteen witnesses testified as to the inconvenience anticipated by the substitution of mixed train service for the passenger motor car now being operated. All these witnesses testified as to the unreliability of the mixed train service when formerly operated in that it could not be depended upon and was never operated in accordance with the published schedule, being rarely less than one-half hour late and in many instances two or more hours late. The late arrivals seriously interfered with the handling of United States Mail and parcel post for the reason that many communities located away from the railroad, receive their mail by rural route carriers and the delayed arrival of the mixed train sometimes resulted in a twenty-four hour delay in the delivery of mail. Mail messengers, employed to transport mail between the railroad station and the postoffice, are required by the Post Office Department regulations to wait two hours for the arrival of a delayed train and after such time, if a railroad agency is not available, to return the mail sought to be dispatched to the forwarding post office. In some instances mail

has been so returned with the resultant delay to the users of the postal service, and incoming mail has also suffered delay by reason of arriving after business hours at various post offices or after the time of departure of local or rural carriers.

Complaint was also made as to the difficulties surrounding the handling of express shipments, particularly perishables, by reason of the operation of a mixed train when same ran later than its scheduled time and this cause of complaint is accentuated by the fact that there are but three agency stations on the Colusa-Hamilton Branch. Objection was also made to the granting of the application by reason of the inconvenience to the traveling public by reason of the slow speed of a mixed train and the annoyance of being transported in a car at the end of a freight train which might be transporting live stock.

Mr. P.E. Baker, Principal of the Princeton Union High School, testified as to difficulty experienced in securing and retaining teachers at the High School due to the unsatisfactory train service when a mixed train was operated, teachers desiring to spend their week-end holidays at Sacramento and other points and objecting to the character of service as formerly rendered by a mixed train.

General complaint was made on behalf of the residents of the various communities as to the effect on the development of the territory served by the Colusa-Hamilton Branch if a mixed train were to be substituted for the passenger motor car heretofore operated, and fear was expressed that the development of a fertile agricultural and dairying section would be materially retarded.

We have given careful consideration to the evidence and exhibits in this proceeding and it is apparent that the receipts derived from the operation of the passenger motor car service do not justify the operating cost that is required, and such cost reflects only the direct costs required in the motor car operation, there being no allowance for the other items, which might properly be considered and upon which the applicant could properly rely.

We are not unmindful of the inconvenience occasioned by delayed trains to all the communities affected and such inconvenience was the principal cause of complaint. The protestants were practically unanimous as to delayed trains being the most annoying feature of mixed train operation but realizing that operating conditions with such class of train prevented the regularity of service to be expected of passenger train service, were practically all of the opinion that a mixed train service should be kept on the advertised schedule time and in no case, excepting accident, should the train arrive more than thirty minutes late at a scheduled station. Witness for applicant, Southern Pacific Company, testified that the proposed mixed train service had been scheduled with the complaints in mind which were formerly made during its previous operation and that, unless by unavoidable accident, the schedule would be maintained.

After full consideration of all the evidence and of the exhibits herein we are of the opinion and hereby find as a fact that the operation of the passenger motor car service on the Colusa-Hamilton Branch of the Sacramento Division of the applicant is not warranted or justified by the traffic offering, the record herein being conclusive that the revenue derived from the opera-

tion of such train service does not even approximate the bare cost of train operation, and that applicant should be authorized to substitute therefor a mixed train service to be operated strictly in accordance with the conditions as appearing in the following form of order.

#### O R D E R

A public hearing having been held in the above entitled proceeding, the matter having been duly submitted and the Commission being now fully advised and basing its order on the finding of fact as appearing in the Opinion which precedes this Order,

IT IS HEREBY ORDERED that applicant, Southern Pacific Company, a corporation, be and the same hereby is authorized to discontinue the operation of a passenger motor car service between Harrington and Orland on the Hamilton-Colusa Branch of its Sacramento Division and to substitute therefor a mixed train service to be operated strictly in accordance with the schedule as proposed by applicant and as shown by applicant's Exhibit No. 3 as filed at the hearing on this proceeding, and subject to the following conditions:

I. Applicant is hereby required to post notice of the discontinuance of the motor car service in all passenger cars now operated on the Colusa-Hamilton Branch and at all stations on said Branch where passengers are received and discharged at least ten (10) days prior to the discontinuance of the motor car service. Notices to also show the schedule of the mixed train herein authorized in substitution for the passenger motor car service.

II. Applicant is hereby directed to file with this Commission on or before the tenth day of each month a statement showing the actual performance of the mixed trains, hereby authorized during the

preceding calendar month with full explanation as to the causes of any delay which may exceed by fifteen (15) minutes the scheduled time as shown by the published time schedule as hereinabove authorized, and to continue such monthly reports until otherwise directed by this Commission.

The Commission expressly reserves the right to make such other and further orders in this proceeding as to it may appear just and proper or, as in its opinion, the public necessity and convenience may require.

Dated at San Francisco, California, this 3<sup>rd</sup> day of November, 1924.

C. Deacy  
H. B. Brundage

J. L. Whitney  
Commissioner