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Decision No. 14457

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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ORIGINAL

In the Matter of the Application of
NEVADA COUNTY TRACTION COMPANY, a
corporation, for an order authorizing
applicant to permanently discontinue
and abandon its street railroad
service and trackage in Grass Valley
and Nevada City and in Nevada County,
State of California.

)
:
) Application No. 9687
:
)

BY THE COMMISSION:

ORDER

Nevada County Traction Company, a corporation, has petitioned the Railroad Commission for an order authorizing the discontinuance of service on its line of railroad between Grass Valley and Nevada City, all in Nevada County; for the abandonment and removal of its tracks and for the surrender of its franchises.

Applicant alleges that the service heretofore given has been operated at a substantial loss; that the railroad and equipment used thereon is no longer in condition to give useful or dependable service; that the revenue derived from operation has decreased to an extent that is insufficient to meet the cost of power and wages of the limited force required to operate the service; and that the stockholders of the applicant have been required to advance funds for the purpose of paying power bills, wages and other operating expenses.

Applicant further alleges that it has made application to the Board of Supervisors of Nevada County, to the City Councils of the City of Grass Valley and the City of Nevada City for permission to relinquish the franchises heretofore granted to applicant by such political sub-divisions; that the patronage accorded by the public is, and has been, steadily decreasing; that the traffic formerly enjoyed by the applicant has been diverted to privately owned automobiles which transport the owners thereof and their friends; that no justification exists for the continued operation of the railroad of applicant by reason of the public having withdrawn its patronage to an extent that the continued operation can no longer be conducted at a profit; and that to continue operation would only result in increasing the operating deficit and decrease the value of the security of the bonds which have been issued and are outstanding.

Results from operation during the year ending December 31, 1923 as reported to this Commission in the annual report of the applicant are as follows:-

Railway Operating Revenues	\$24135.55
Railway Operating Expenses	<u>24809.91</u>
Net Operating Loss	\$ 684.36
Taxes	<u>1801.98</u>
Net Operating Loss (including taxes)	\$ 2486.34
Deductions from Gross Income	
Interest on funded and unfunded debt, etc.,	<u>2890.39</u>
Net corporate loss	\$ 5376.73

Regular operation was suspended on December 7, 1923, by reason of snow conditions and same has never been resumed due to the inability of applicant to secure funds with which to pay for electrical power, wages of trainmen and other current expenses.

The Commission by its Decision No. 12970 on Application No. 9243 as decided July 21, 1923, granted a certificate of public convenience and necessity to J. B. Grissel and J. F. Dolan, co-partners operating under the name of J. B. Grissel and Company, for the operation of auto stage service between Central Mine and Nevada City, such operation serving the same territory as that formerly served by the applicant and also giving service to certain mines that were beyond the territory served by the applicant. This substituted service has evidently met the transportation needs of the communities served, there having been no complaints received from the public since its inauguration.

No protest against the discontinuance of service and removal of tracks was received except from the Board of Trustees of the Town of Nevada City and the Commission has been advised by the Mayor of Nevada City under date January 13, 1925, that such protest is withdrawn.

In view of all the facts in this proceeding, of which the Commission is fully advised, the line having been inoperative for a period of more than one year and the only protest against the suspension of operation and removal of tracks having now been withdrawn, we are of the opinion that this is a matter in which a public hearing is not necessary and that the application should be granted.

IT IS HEREBY ORDERED that applicant, Nevada County
Traction Company, a corporation, be and the same hereby is
authorized to abandon and remove all its railroad, tracks and
appurtenances in the City of Grass Valley, in the town of
Nevada City and in the County of Nevada.

Dated at San Francisco, California, this 16th day
of January, 1925.

H. B. Brundage

O. L. Seaver

George D. Squires

Egerton Shore

Commissioners.