

ORIGINAL

Decision No. 19155

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 LOS ANGELES & SALT LAKE RAILROAD)
 COMPANY, a corporation, for authority) Application
 to discontinue passenger train service) No.14104
 upon its Anaheim Branch, and the appli-)
 cation of UNION PACIFIC STAGE COMPANY,)
 a corporation, for a certificate of)
 public convenience and necessity to oper-)
 ate a motor bus service in lieu thereof.)

Fred E. Pettit, Jr., for applicants.
 Herbert W. Kidd, for Motor Transit Company, Protestant.

CARR, Commissioner -

O P I N I O N

Los Angeles & Salt Lake Railroad Company applies for leave to discontinue its passenger branch line service from Pico Station to Anaheim, and Union Pacific Stage Company, a subsidiary of The Union Pacific Railroad Company, which is also the owner of the Los Angeles & Salt Lake Railroad Company, applies for a certificate of public convenience and necessity to establish an auto stage service between the same points, to operate on the same schedules and with the same fare structure as at present.

A public hearing has been held and the matter is now ready for decision.

The facts are very simple. Branch line service of Los Angeles & Salt Lake Railroad Company is being conducted at a decided loss. On an average but four passengers a day are carried. Of these seventy-five percent are interstate passengers and twenty-five percent intrastate. Of the last class a few are purely local between the points mentioned.

The loss from this branch line service will be somewhat reduced by the substitution of an auto stage service. This, according to the proposal, contemplates the operation of a modern de luxe

auto stage of a seating capacity of twenty-five passengers, operated by a uniformed operator, which will, according to the applicants, be in harmony with the high class service given by the Union Pacific Company on its transcontinental trains.

Motor Transit Company operates twenty auto stages daily each way in close proximity to the stations proposed to be served by the Union Pacific Stage Company. It offers to make the small deviations from its route necessary to serve the stations of the Los Angeles & Salt Lake Railroad Company and offers to meet the main line trains to be served, either by its regular scheduled runs or by sending extra coaches to meet the trains when they are late or when it otherwise becomes necessary. It also offers joint rates. Its rates are somewhat lower than those of the Los Angeles & Salt Lake Railroad Company.

As to the service for the interstate passengers no certificate is necessary, this involving an interstate operation. It appears, then, that a certificate is desired for the service of an average of one intrastate passenger a day according to present traffic.

While the effecting of economies in rail operation is an end to be desired and encouraged, the effecting of an economy by the substitution of motor bus service is not in itself the equivalent of public convenience and necessity required to exist in order that certification may be allowed. Furthermore, it is perfectly apparent here that if economy is the end desired much greater economy is possible by the utilizing of the existing service of Motor Transit Company under a system of joint rates and under that company's offer of service. In view of the existing auto stage transportation and the offer of service by Motor Transit Company and of joint rates it cannot be said that public convenience and necessity require the establishment of a new line. Burdening the highways with an additional stage line to transport the negligible

amount of passengers indicated finds no justification.

Applicants express some fear that if the existing service of Motor Transit Company is utilized their passengers will not be accorded the requisite courtesy and that the service will not be of the high character which it is desired to give. The evidence before the Commission does not support the fears thus expressed. The service of the Motor Transit Company is subject to the control of the Commission and if it should develop that Motor Transit Company does not give satisfactory service, the order on this application will not be a bar to another application along the same lines if conditions justify.

I recommend the following form of order:

O R D E R

A public hearing having been held in the above entitled application, the matter having been duly submitted, the Commission being now fully advised, and basing its order on the findings of fact set forth in the preceding opinion and the record,

IT IS HEREBY ORDERED that the application of the Los Angeles & Salt Lake Railroad Company for authority to discontinue passenger train service upon its Anaheim Branch be and the same is hereby granted.

IT IS HEREBY FURTHER ORDERED that the application of the Union Pacific Stage Company for certificate of public convenience and necessity to operate a motor bus service in lieu of the service rendered by the Los Angeles & Salt Lake Railroad Company, referred to above, be and the same is hereby denied.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission.

Dated at San Francisco, California, this 23rd day of December, 1927.

Ernest C. Stearns
Chairman
Leon Whiteley
Commissioner
Commissioners