

Applicant's trains Nos. 41 and 42 operate daily on its Valley Division between San Francisco-Ferry Point and Calwa, a distance of approximately one hundred and ninety-six (196) miles. Applicant proposes to discontinue the operation of said trains between Calwa and Stockton, a distance of one hundred and twenty-six (126) miles, but will continue to operate same between Stockton and Ferry Point-San Francisco.

The rail service herein proposed to be discontinued between Calwa and Stockton is as follows:

	<u>Train No. 41</u>
Leave Calwa	8:45 A.M.
Leave Stockton	9:55 A.M.
Arrive Ferry Point	11:57 A.M.
Arrive San Francisco	12:45 P.M.

	<u>Train No. 42</u>
Leave San Francisco	5:15 P.M.
Leave Ferry Point	6:00 P.M.
Leave Stockton	8:10 P.M.
Arrive Calwa	11:12 P.M.

The total revenue derived from the trains proposed to be discontinued between Calwa and Stockton, for the yearly period ending July 31st, 1928, is as follows:

<u>Month</u>	<u>Train 41</u>		<u>Train 42</u>	
	<u>Revenue</u>	<u>Revenue per train mile</u>	<u>Revenue</u>	<u>Revenue per train mile</u>
Aug. 1927	\$ 797.56	\$.2042	\$ 999.57	\$.2359
Sept. "	733.19	.1940	983.84	.2603
Oct. "	753.60	.1929	870.87	.2230
Nov. "	872.92	.2309	995.28	.2633
Dec. "	1080.16	.2765	969.54	.2482
Jan. 1928	1055.04	.2701	839.41	.2149
Feb. "	976.54	.2673	755.04	.2066
Mar. "	794.42	.2034	869.44	.2226
Apr. "	770.87	.2039	806.52	.2134
May. "	865.07	.2215	835.12	.2138
June "	319.54	.2168	920.92	.2436
July "	927.87	.2375	1013.87	.2596
Total	\$ 10446.78	\$.2265	\$ 10359.42	\$.2355

The above revenue per train mile includes all earnings from passenger, baggage and mail traffic but does not include express revenue which applicant's witnesses allege to be very small.

The so-called out-of-pocket cost of operating trains Nos.41 and 42 on the present schedule and the estimated out-of-pocket cost of operating same on the proposed schedule, as shown by applicant's Exhibit No.2, filed at the hearing, are as follows:

Cost of Operating trains Nos.41 and 42,
for a 30-day month

<u>Present Schedule</u>	<u>Proposed Schedule</u>	<u>Saving</u>
\$ 8,359.94	\$ 3,342.22	\$ 5,017.72

The above figures include train and engine crews, fuel oil, locomotive and car repairs, enginehouse expense and locomotive and train supplies but do not include any allowance for maintenance of way, taxes, depreciation or other indirect expenses.

The amount estimated to be saved by the discontinuance of the operation of said trains between Calwa and Stockton may be stated to represent the present out-of-pocket costs of operating the trains between said points, which amount is in excess of \$30,000 per year. When this amount is compared with the annual revenue derived from said trains between Calwa and Stockton, which amounted to approximately \$21,000, for the year ending July 31st, 1928, it may be seen that the actual out-of-pocket loss for the operation of these trains between said points is approximately \$40,000 per year.

Applicant's Exhibit No.3 shows that the average number of revenue passengers per day, carried on train No.41, between

Calwa and Stockton, for a ten day period ending November 14, 1928, was 4.3, while the same for train No.42 was 11.9. Applicant's witnesses testified that the patronage of these trains has continually decreased.

If the discontinuance of trains Nos.41 and 42 were authorized, the Santa Fe Railway would still operate three trains daily between Ferry Point-San Francisco, Stockton and Calwa.

Two petitions, one signed by two hundred and forty one (241) residents of Le Grand and vicinity and the other by sixteen (16) residents of Planada and vicinity, protesting the abandonment of said trains, were introduced as exhibits at the hearing. Apparently the main complaint, as set forth by these petitions, as well as that of other protestants was in regard to the delivery of mail. Protestants declared that rural delivery of mail would be delayed twenty four hours by the discontinuance of these trains. The mail now carried by train No.41, arriving at Le Grand and Planada at 7:56 A.M. and 8:03 A.M., respectively, would be carried by train No.9, arriving at Le Grand and Planada at 1:45 P.M. and 1:53 P.M., respectively, Train No.42 does not carry mail.

Testimony introduced at the hearing shows that Stockton would be more conveniently served if train No.41 would leave Stockton at 8:00 A.M. instead of 9:55 A.M., as at present, and train No.42 would leave San Francisco at 6:00 P.M. instead of 5:15 P.M. as at present. Applicant's witnesses stated that the request for authority to change the leaving times of trains Nos.41 and 42 from Stockton and San Francisco, respectively, is the result of numerous requests by residents of Stockton for such a change. This request appears to be reasonable and in the public interest.

The record herein shows that the operation of applicant's trains Nos.41 and 42 on its Valley Division between Calwa and Stockton has been conducted at a material out-of-pocket loss,

The revenue derived from said operation for the year ending July 31, 1928, being approximately \$40,000 less than the out-of-pocket expense.

From the record herein, we are of the opinion and hereby conclude and find as a fact that the continued operation of the passenger train service herein proposed to be discontinued is not justified by the patronage offered by the traveling public, in that the continuing decreases in revenue, in comparison to operating costs, place an undue and unwarranted burden on applicant and its patrons in the continued maintenance of the unprofitable passenger train service herein proposed to be discontinued.

O R D E R.

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

IT IS HEREBY ORDERED that permission and authority be and it hereby is granted to The Atchison, Topeka & Santa Fe Railway Company to discontinue the operation of its passenger trains Nos. 41 and 42 on its Valley Division between Calwa and Stockton and to change the leaving time of train No. 41 from Stockton to 8:00 A.M. and the leaving time of train No. 42 from San Francisco to 6:00 P.M., subject, however, to the condition that the public be given at least five (5) days' notice of such changes by posting notices of such changes at all stations affected; and by newspaper publicity.

The Commission expressly reserves the right to issue such other and further orders in this proceeding as to it may appear just and proper or as may be required by the public convenience and necessity.

The effective date of this order is hereby fixed as twenty (20) days from the date hereof.

Dated at San Francisco, California, this 11th day of December, 1928:

O. C. Leary

Thos. B. Lovett

W. J. ...
_____ COMMISSIONERS.