

Decision No. 21192.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the Application of Fresno Traction Company, for permission to abandon its passenger service on that part and portion of the Sunnyside Line on Ventura Avenue in the County of Fresno, State of California, from Recreation Park east to the end of the line.

Application No. 15,437

Everts, Ewing, Wild and Everts, by D.S. Ewing
for Applicant.

Arthur C. Shepard, Deputy District Attorney of
the County of Fresno, for County of Fresno,
Protestant.

Barbour, Kellas & Rowell, by Edward L. Kellas,
for Paul A. Mosesian, Inc., Protestant.

BY THE COMMISSION:

O P I N I O N

This is an application of the Fresno Traction Company for permission to abandon passenger service on its Sunnyside Line on Ventura Avenue in Fresno County from Recreation Park east to the end of the line.

A public hearing was held in this matter before Examiner Williams at Fresno on April 26th, 1929, and the matter submitted.

The Fresno Traction operates an electric street railway system serving primarily the City of Fresno, three lines of which system extend beyond the City limits into the County of Fresno. The so called "Sunnyside Line" consists of a line of railway 2.57 miles long extending in an easterly direction along Ventura Avenue

from Maple Avenue to Clovis Avenue in the County of Fresno. It is used for both passenger and freight service. In this proceeding it is proposed to abandon only the passenger service.

The basic fare upon this line for the transportation of passengers is seven (7) cent cash and a six and two-third cent (6-2/3) token fare. These fares apply between any two points on the Sunnyside Line with no transfer privileges to the remaining portion of the street railway system. A shuttle service within the limits of this fare zone is rendered on a forty-eight (48) minute headway.

Applicant alleges that the expense of operating the Sunnyside Line for passenger service is in excess of the earnings produced, that the net revenue for the entire system has not been sufficient for a period of several years last past to pay operating expenses, taxes, depreciation and a reasonable return upon the investment.

The results from operation on the Sunnyside Line as set forth by applicant for the years 1923 to 1928 inclusive follow:

	<u>1923</u>	<u>1924</u>	<u>1925</u>	<u>1926</u>	<u>1927</u>	<u>1928</u>
Earnings	\$2,472.30	\$1,966.87	\$1,659.91	\$1,633.79	\$1,356.96	\$1,119.17
Expenses	<u>9,088.14</u>	<u>9,492.52</u>	<u>9,132.02</u>	<u>7,436.83</u>	<u>7,757.27</u>	<u>6,802.07</u>
Net Rev.	\$6,615.84	\$7,525.65	\$7,473.11	\$5,803.04	\$6,400.31	\$5,682.90

The above earnings represent the revenue actually collected in the operation of the Sunnyside Line. The expenses are determined by an allocation of a portion of the system expenses to this line based upon the ratio of car miles operated upon the Sunnyside Line to the total car miles for the system.

E. A. Devereux, Superintendent of the Fresno Traction Company, testified that the amount that would be saved annually by the proposed abandonment of passenger service on this line might be approximated on the basis of the cost of platform wages and power. The platform wages amount to \$9.69 a day and the power approximately 2 cents per car mile, or a gross of \$4,425.00 a year. He testified that this amount represented the out-of-pocket cost of operation, which amount is too much of a burden upon this line and upon the entire system. He further testified that the territory through which the line operates is very sparsely built up and that he does not expect any material development in said area or any material increase in traffic upon the Sunnyside Line in the reasonably near future.

William C. Collins, Chairman of the Board of Supervisors of the County of Fresno, Protestant in this matter, testified that the operation of the line along Ventura Avenue is an inconvenience to vehicular traffic on said highway and that it is the position of the Board of Supervisors that inasmuch as it is not intended to discontinue freight service upon this line, passenger service should not be abandoned. He further testified that the position of the Board of Supervisors is founded upon provisions of the franchise under which the line is operated and not upon any public convenience and necessity for service.

Representatives of protestants also testified that certain subdivisions had been laid out and were contemplated in the territory contiguous to the Sunnyside Line and that with proper service the revenues upon the line might be expected to increase, due to this development. They stated that the development of this area would in the future justify passenger service. They also alleged that, if passenger service is unremunerative, it is due to the infrequent, irregular schedules which are unattractive to the public. However, no testimony

was produced that would indicate that the use of this line might increase sufficiently to pay for its out-of-pocket cost of operation.

The revenues derived from the operation of the Sunnyside Line show a steady decrease, the average daily revenue for the year 1928 amounting to but slightly more than \$3.00, while the average daily out-of-pocket cost of operation amounts to in excess of \$12.00. While the line undoubtedly will assist in the development of the territory it serves, its operation cannot be justified upon this basis solely.

According to the testimony, the entire system of the applicant operated at a loss of \$7,718.19 during the year 1928. Of this loss \$5,682.90 was incurred on the Sunnyside line. The freight revenue of the Sunnyside line was \$3,931.97, of which \$3,561.97 was from one consignor alone; also, of the gross freight revenue, \$3,604.80 was earned in the months of September and October. It is obvious that even adding this gross freight revenue to the operations of the Sunnyside line it would still show a loss of \$1,750.93.

The service is authorized under a franchise granted in 1902 for "passengers, freight, express matter and the mails of the United States." The abandonment of passenger service only is asked, it being applicant's intention to continue freight service. In granting the application to abandon the passenger service on this line, the Commission does so permissively and without attempting to pass on duties of applicant under its franchise or upon any question of forfeiture of its entire franchise rights if it discontinues a portion of its service called for in the franchise without the consent of the grantor.

O R D E R

Fresno Traction Company having applied to this Commission for authority to abandon passenger service on the Sunnyside Line, on Ventura Avenue in the County of Fresno, State of California, from

Maple Avenue easterly to the end of the line at Clovis Avenue, a public hearing having been held, this Commission being apprised of the facts, the matter being under submission and ready for decision,

IT IS HEREBY ORDERED that Fresno Traction Company be and it is hereby authorized to abandon passenger service upon the Sunnyside Line on Ventura Avenue in the County of Fresno, State of California, from Maple Avenue easterly to the end of the line at Clovis Avenue.

If this abandonment is not made within ninety (90) days from date of this order, the authorization herein granted shall then lapse and become void, unless further time is granted by subsequent order.

IT IS HEREBY FURTHER ORDERED that the abandonment of passenger service hereinabove authorized shall not be made until at least ten (10) days notice shall have been given the traveling public by posting notices in all cars operated upon said Sunnyside Line and in and upon the Recreation Line, all waiting stations along said line and by filing similar notice with this Commission, together with cancellation of tariffs applicable to said line, said cancellation to be made in accordance with the rules and regulations of this Commission.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 6th day of June, 1929.

Thomas S. Kautz

C. Sawyer

Leon A. Whitt

M. J. C.

Commissioners.