

Decision No. 9046.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

<p>In the matter of the application of          NORTHWESTERN PACIFIC RAILROAD COMPANY          and ALBION LUMBER COMPANY for author-          ity to discontinue operation of line          of railroad between Albion and          Christine.</p>
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Application No. 16059.

Roy G. Hillebrand, for Applicants.

BY THE COMMISSION:

O P I N I O N

Northwestern Pacific Railroad Company and Albion Lumber Company jointly have made application for authority to discontinue the operation of the standard gauge railroad owned by applicant, Northwestern Pacific Railroad Company, and operated under lease by Albion Lumber Company between Albion and Christine, in Mendocino County, California, a distance of 25.65 miles.

A public hearing herein was conducted by Examiner Williams at Albion, at which time the matter was duly submitted and now is ready for decision.

Albion Railroad, as it has been called since its lease by the Albion Lumber Company, under authority of Decision No. 9046 in Application No. 6554, dated June 3, 1921, has been maintaining common carrier service between termini named and serving all classes of traffic. This service has not been scheduled, being operated on an "extra train" basis to the small intermediate points. The railroad was constructed some twenty-odd

years ago by the Northwestern Pacific Railroad Company as the first section of a railroad to operate between Albion and Healdsburg, where connection was to have been made with the main line of the Northwestern Pacific.

Experience in operation showed at the time the lease was entered into that 98 per cent of the business of the railroad was the business of the Albion Lumber Company, and it was at that time deemed advisable that the Lumber Company should conduct all operations under lease. This lease expired June 30, 1929, and has not been renewed.

The railroad is wholly intrastate in character and it has no contact or connection with any other public carrier. Its business has been the transportation of logs from the forests to the Albion Lumber Company's mills at Navarro and Albion and in the transportation of products of the Company's mills to Albion, which is a port, and there delivered to water carriers. Since November, 1929, the plants of the Albion Lumber Company have been practically out of operation; the timber cutting has been suspended, and the company has now reached a period of non-activity. The railroad is no longer necessary to or useful for its operation.

According to an exhibit filed with the application, the cost of operation of the railroad between November, 1928, and October, 1929, inclusive, including tax accruals, amounted to \$7,391.76, and during the same period the revenue from freight amounted to \$20.54 and from passengers \$37.94, making a total revenue for the twelve months of \$58.48.

According to the testimony of Charles F. Flinn, General Manager of the Albion Lumber Company and Manager of the railroad operation, this company has practically withdrawn from all activity and will contribute no business of a railroad character in the near future. There is no other shipper using

this common carrier service. It is also the intention of the Albion Lumber Company to dispose of the equipment used in the operation, but there is no intention on the part of the Northwestern Pacific Railroad Company, owner of the tracks and road-bed and other stationary equipment, to remove any portion of it. The instant application is solely for the purpose of obtaining authority to cease the operation of the railroad because of the great cost thereof and the meager income derived from said operation. Both Albion and Navarro, which are the most important points served by the railroad, are also served by automotive lines now operating in this territory under the authority of this Commission.

It appears from the record that the operation of this railroad as conducted under lease by the Albion Lumber Company has been maintained almost wholly for the logging and lumber business of the company, and that the other freight and passenger business has been merely incidental. According to the annual report of the Albion Lumber Company, filed with the Commission December 1928, the business of the company for that year resulted in a loss of \$18,656.31, after a lease payment of \$22,000 to the Northwestern Pacific. This loss, of course, resulted largely from the fact that the lumber activity of the company, which possesses a very large area of redwood timber, had practically ceased, and the movements through which the railroad was maintained were largely in the nature of a "clean up" of timber already cut and milled.

Notice of intent to discontinue was posted at all the stations of the company and at the Post Offices of Albion and Navarro more than five days prior to the date of hearing, according to the testimony of Richard A. Hood, an employee of the company. No one, however, appeared to oppose the application.

The record before us is satisfying that the burden of maintaining the operation of this railroad is wholly out of proportion to the patronage that has been received or may be received, and to continue it further would be an unjust burden upon the Albion Lumber Company or Northwestern Pacific. The order, therefore, will permit the discontinuance of the operations as conducted by Albion Lumber Company, but is not authority for the abandonment of the tracks and stationary equipment on any part of the entire line.

O R D E R

Northwestern Pacific Railroad Company and Albion Lumber Company, having made application to discontinue the operation of line of railroad between Albion and Christine, Mendocino County, a public hearing having been held, the Commission being apprised of the facts, and the matter being under submission and ready for decision,

IT IS HEREBY ORDERED that permission and authority be and the same is hereby granted to Northwestern Pacific Railroad Company and Albion Lumber Company to discontinue operation of their line of railroad operating between the towns of Albion and Christine in the County of Mendocino, State of California, and to cancel, in conformity with the rules of this Commission, all rate tariffs and time schedules between the said points, subject, however, to the following condition:

(1) Applicants shall post notices at all stations on said line of railroad, notifying the public of the discontinuance

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of said service for at least ten (10) days before service is discontinued.

The effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 27<sup>th</sup> day of December, 1929.

Thos D. Laid

C. L. Sawyer

Ernest C. Coe

W. J. Linn

Commissioners.