

Decision No. 23894.

**CONFIDENTIAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application  
of SACRAMENTO NORTHERN RAILWAY  
for permission to discontinue street  
car service in the City of Chico,  
Butte County, and vicinity thereof.

Application No. 17418.

L. N. Bradshaw, Attorney, for Applicant,

Jerome D. Peters, City Attorney, for City  
of Chico, Protestant.

BY THE COMMISSION:

O P I N I O N

In this application, Sacramento Northern Railway requests authority to discontinue street railway service in, and in the vicinity of, the City of Chico.

A public hearing, held at Chico on June 22, 1931, was conducted by Examiner Williams.

Sacramento Northern Railway operates an interurban electric line between San Francisco and Sacramento Valley points, the northerly terminus of the line being in the City of Chico. This interurban line enters the city along Park Avenue and Main Street and the interurban passenger service terminates at First Street. The service which the company proposes to discontinue is the local street car operation in part along the main line tracks of the interurban line and along an extension of this line on the Esplanade into a residence section known as Chico Vecino outside the City of Chico, also local street car service now operated along the track leading into the plant

of the Diamond Match Company on 16th Street and Del Norte Street in the southerly part of the city. The entire local service is provided by two one-man Birney type cars operating on a 15-minute headway between 6 A. M. and 6 P. M., alternate cars running to the plant of the Diamond Match Company. After 6 P.M. but one car is used, furnishing half hour service until 11 P. M. All of the tracks over which such service is operated are also used for inter-urban or freight purposes and in the event the street car service is abandoned the company will continue to maintain the tracks for its other operations.

Exhibits filed at the hearing show that the revenues from the street car service have been steadily decreasing for a number of years, receipts from this service being \$7,897. in 1930, while the out-of-pocket cost of operation amounted to \$11,949., leaving the company a net loss of \$4,052. for the year.

From a supplementary statement filed at the request of the City of Chico, it appears there has been some slight profit in the freight business handled in and out of the City of Chico, the estimated net revenue for 1930 being \$678. The operations of the company over its entire system, however, are not profitable; the net operating results for the year 1930 showed a loss of \$407,841.77.

The fare charged on the local street cars is five cents; the length of the line being 2.7 miles, with the business section of the City of Chico located near the middle of the line. From a count of the number of passengers using the service, taken during a two-weeks period in February and March of this year, it appears that the average number of passengers per day was about 400 and the average passengers per trip was 3.42. The heavier travel is on week days, the number of passengers using the service on Sunday being 266.

The City of Chico protested the granting of the application and a number of witnesses testified as to the necessity for the service and their own individual use of the street cars. In addition to the witnesses who testified, some 50 or 60 other persons were present at the hearing. The City also filed a copy of a petition signed by some 500 residents of the vicinity addressed to the City Council, requesting that body to oppose the application.

From the testimony, it appears that there is considerable need for some local street car service and if it is possible to provide such service without an actual out-of-pocket loss, the Commission is of the opinion that such service should be furnished.

A number of witnesses testified they would be satisfied with a reduced service. If such a service can be maintained that will supply the absolute public necessity for street car transportation and at the same time pay actual out-of-pocket costs, it should be provided.

The present service requires approximately 200 car hours of operation per week. It appears that the traffic does not warrant the operation of night service or Sunday service. The operating of one car on a half-hour schedule for a period of 12 hours per day for six days a week would require 72 car hours of operation, or 36 per cent of that now provided. Out-of-pocket cost of operation varies almost directly with the car hours and such a reduced service could be provided for approximately \$4500. per year. If slightly more than half of the present riders could be retained by providing such a service the revenue would approximately pay the out-of-pocket cost.

Before authorizing complete abandonment of service as proposed in the application, the Commission believes that a trial

of such reduced service should be made. If at the end of a reasonable test period it still appears that the service is not being supported in sufficient volume to warrant its continued operation, the Commission will again give consideration to an appropriate application for complete abandonment, and the following order will so provide.

O R D E R

A public hearing having been had before Examiner Williams and the matter having been submitted,

IT IS HEREBY ORDERED that Sacramento Northern Railway Company is hereby authorized to reduce its local street car service in and in the vicinity of the City of Chico to provide approximately thirty-minute frequency along The Esplanade, Main Street and Park Avenue for twelve hours daily except Sunday, provided, however, applicant may entirely discontinue service over the branch line to Diamond Match Company plant and may amend its tariffs accordingly in conformity with the rules of the Commission.

The company shall notify the public of such change of operations by posting notice in all cars operated in the local service for a period of not less than ten (10) days prior to the effective date of the change.

The authority herein authorized is contingent upon its being exercised within one year from the date hereof.

The Commission reserves the right to make such further orders in this proceeding as to it may seem just and proper.

The effective date of this order shall be twenty (20)

days from the date hereof.

Dated at San Francisco, California, this 9<sup>th</sup> day  
of July, 1931.

Leon ...

W B Harris

Fred G. Stewart

Commissioners.