

Decision No. 25051**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 PACIFIC ELECTRIC RAILWAY COMPANY, a)
 corporation, for authority to abandon) APPLICATION NO. 18156
 passenger service on its Arrowhead)
 Line in the County of San Bernardino,)
 California.)

C. W. Cornell, for the Applicant.

William Guthrie, for the City of
 San Bernardino, Protestant.

Martin Coughlin, for Arrowhead Springs
 Hotel, Protestant.

BY THE COMMISSION.

O P I N I O N

The Pacific Electric Railway Company filed the above entitled application requesting permission to discontinue all passenger service on its Arrowhead Line in the County of San Bernardino.

A public hearing on said application was conducted before Examiner Kennedy at San Bernardino on June 24, 1932, at which time the matter was duly submitted.

Applicant has for the past several years operated passenger service, as well as freight service, on its line between San Bernardino and Arrowhead Hot Springs, commonly referred to as the Arrowhead Line, a distance of 7.25 miles. This line operates along D Street, Highland Avenue, Mountain View Avenue and private right of way between Arrowhead Hot Springs and the downtown section of San Bernardino. Applicant also operates local service between downtown San Bernardino and the intersection of Highland Avenue and Mountain View Avenue over the same route as the Arrowhead Line. It

is now proposed to discontinue all passenger service between the intersection of Highland Avenue and Mountain View Avenue and Arrowhead Hot Springs, but the proposed change in operation does not contemplate discontinuance of local service south of Highland Avenue, or the discontinuance of freight service on its Arrowhead Line.

Applicant operates three round-trips daily on said Arrowhead Line between San Bernardino and the Arrowhead Hot Springs. Local service is provided over the same line with schedules during approximately the same times as the Arrowhead Line operations as far north as Highland Avenue, so that the discontinuance of passenger service on the Arrowhead Line will not affect local travel between downtown San Bernardino and the intersection of Highland Avenue and Mountain View Avenue.

Practically the entire business handled on the Arrowhead Line has been south of Highland Avenue. A traffic check taken on June 22, 23 and 24, 1932, between Highland Avenue and Arrowhead Hot Springs, is as follows:

<u>To Arrowhead</u>	<u>June 22</u>	<u>June 23</u>	<u>June 24</u>
6:57 A.M.	0	0	0
3:12 P.M.	2	1	
5:12 P.M.	3	2	
 <u>To San Bernardino</u>			
7:38 A.M.	1	1	1
3:53 P.M.	0	0	
5:53 P.M.	<u>0</u>	<u>1</u>	<u>—</u>
Total	6	5	1

The financial results of operation for this line, during the annual period from April 1, 1931, to March 31, 1932, are as follows:

Passenger Revenue,	\$1311.33
Station and Car Privileges,	86.76
Total Operating Revenues,	<u>\$1398.09</u>
Out-of-Pocket Operating Expenses,	<u>3291.26</u>
Net Loss, Railway Operation,	<u>1893.17*</u>
Taxes Assignable to Rwy. Operation,	59.42
Net Loss,	<u>\$1952.59*</u>

*Red Figures.

The record shows that the revenue figure of \$1311.33 includes all revenue south of Highland Avenue which will not be lost to the Company, inasmuch as the passengers using the Arrowhead Line south of Highland Avenue will in all probability use the local service.

The record shows that applicant's plan to discontinue passenger service on its Arrowhead Line results from the fact that the travel on the line is so light that the operating expense materially exceeds the revenue derived therefrom and that due to the aggravated financial condition of the Company, it does not feel justified in continuing to sustain the loss on this line.

The City of San Bernardino and the Arrowhead Springs Hotel protested the granting of this application. The only testimony presented by the protestants was relative to the inconvenience to a few school children and one or two regular riders, which would result from the abandonment of said line.

After carefully considering all of the evidence in this proceeding, it is apparent that the largest part of the traffic on this line originates at or is destined to points south of Highland Avenue, which traffic will be continued to be served by applicant's local line and 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 amount of revenue, in comparison to operating costs, places 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 having been duly submitted and the Commission being fully advised,

IT IS HEREBY ORDERED that Pacific Electric Railway Company is hereby authorized to discontinue the operation of its passenger train service on its so-called Arrowhead Line, between San Bernardino and Arrowhead Hot Springs, in the County of San Bernardino, subject to the following conditions:

- (1) Applicant shall afford the public at least ten (10) days' advance notice of such discontinuance of passenger service, by posting suitable notices at all stations on said Arrowhead Line and on all trains or cars operating between San Bernardino and Arrowhead Hot Springs.
- (2) Applicant shall notify this Commission, in writing, within thirty (30) days after said discontinuance has become effective.
- (3) If said passenger service has not been discontinued within one (1) year from the date of this order, the authorization herein granted shall then lapse and become void, unless further time is granted by subsequent order.
- (4) The Commission 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 public convenience and necessity.

For all other purposes, the effective date of this order shall be ten (10) days from and after the date hereof.

Dated at San Francisco, California, this 10th day of

August, 1932.

[Signature]
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Commissioners