

Decision No. 25183.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
SACRAMENTO NORTHERN RAILWAY for an
order authorizing the temporary dis-
continuance of passenger train service
between Sacramento and Swanston, and
intermediate points.

Application No. 18324.

ORIGINAL

L. N. Bradshaw, for Applicant.

E. A. Murray, for C. Swanston & Son, Meat Packers,
Protestants.

N. W. Cook, for North Sacramento Land Company,
Protestants.

BY THE COMMISSION:

O P I N I O N

In this proceeding the Sacramento Northern Railway seeks authority to discontinue passenger service on its Sacramento-Swanston Branch. A public hearing was conducted in this matter before Examiner Hunter at Sacramento, September 13, 1932, at which time the matter was taken under submission.

Applicant's Swanston Branch extends from its Union Station (Electric), in Sacramento, in a northeasterly direction through North Sacramento to a terminal at Swanston, located in the unincorporated portion of Sacramento County. The total length of this local line is approximately four miles. All of this line, except 1.3 miles on the northeasterly end, is jointly used by trains operating between Sacramento and Chico. The district at Swanston is developed largely for industrial purposes. At present there are three industries located at this point, viz., a meat packing plant, a pencil wood factory and a wool plant. Except

through the City of Sacramento, the territory adjacent to Applicant's Swanston Line is rather sparsely settled.

The passenger service on applicant's Swanston Branch consists of six round trips daily with no operation on Sundays or holidays.

The following is taken from Applicant's Exhibits Nos. 2 and 3, showing results of operation on said Swanston Branch:

	<u>1928</u>	<u>1929</u>	<u>1930</u>	<u>1931</u>	<u>Jan. to June 1932, incl.</u>
Passenger Revenue	\$1,931.	\$1,535.	\$1,206.	\$1,014.	\$536.
Operation Cost plus taxes	\$4,449.	\$3,955.	\$3,749.	\$3,745.	\$1,953.
Car Miles operated	15,696	14,119	13,634	13,797	7,987
Revenue per car mile	12.3¢	10.9¢	8.8¢	7.3¢	6.7¢
Expense per car mile, including taxes	28.3¢	28.0¢	27.5¢	27.1¢	24.4¢
Passengers handled	32,800	26,081	19,497	16,393	8,796
Loss per passenger handled, including interest on cars at 6%	11.4¢	14.1¢	19.4¢	24.3¢	23.2¢

Exhibit No. 7 deals with the result of an origin and destination check taken on that portion of this branch line beyond the junction with the main line to Chico over a twelve day period from August 3rd to 16th, 1932, inclusive. This check shows that on the average 26 passengers per day were handled off and on this section of the line.

The record shows that the North Sacramento Stage Line operates a local service approximately parallel to applicant's Swanston Branch and on a much more frequent headway.

Applicant's Exhibit No. 9 shows that its railway operating revenue has gradually decreased from \$2,559,794 in 1926 to \$1,648,263 in 1931 and for the first six months of 1932 the revenue was \$564,638

whereas the operating income has decreased from a profit of \$333,747 in 1926 to a loss of \$332,709 in 1931, and for the first six months of 1932 the operating loss amounted to \$206,646.

Applicant has indicated that if this application is granted and future developments appear to justify the resumption of passenger service on this line, it will be provided.

The only protest to the granting of this application was directed to the carrying out of the terms of certain agreements entered into in 1914 and 1915 between Applicant's predecessor and certain land and industrial interests, whereby the railroad agreed to operate not less than six round trip passenger trains over this branch line daily, except Sundays and holidays, in consideration of a right-of-way grant and a sum of money sufficient to cover the cost of constructing the line. The protestants do not take the position that public convenience and necessity require the continuance of this service but contend that Applicant should make some monetary adjustment if and when passenger service is discontinued. It is clear that the matter of adjusting the contract between the railroad and the other interested parties is not one for this Commission to determine; on the other hand it is proper that we should determine whether or not this application should be granted on the question as to whether or not public convenience and necessity require the continuance of this local service.

After carefully considering the record in this proceeding it is concluded that public convenience and necessity, as evidenced by the limited use of this service, does not justify its continuance. This conclusion is also supported by the fact that the district served by this line is also provided with public transportation by the bus company referred to above and that the continued opera-

tion of passenger service on this branch line places an unreasonable financial burden upon applicant's other operations, therefore the application should be granted.

O R D E R

A public hearing having been held in the above entitled proceeding, the matter being under submission and now ready for decision,

IT IS HEREBY ORDERED that Sacramento Northern Railway is hereby authorized to discontinue local passenger service on its Sacramento-Swanston Line (Swanston Branch) under the following conditions:

- (1) Applicant shall give the public not less than ten (10) days' advance notice of the discontinuance of passenger service on this line, by posting notices in all cars operated on the line.
- (2) Applicant shall within twenty (20) days thereafter, notify this Commission, in writing, of the discontinuance of said service herein authorized and of its compliance with the conditions hereof.
- (3) The authorization herein granted shall lapse and become void if not exercised within one (1) year from the date hereof unless further time is granted by subsequent order.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 19th day of September, 1932.

Cl. Deary
Leon Burdick
W. H. ...
W. B. ...
Edw. G. ...
Commissioners