

Decision No. 25241 .

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
LOS ANGELES RAILWAY CORPORATION for
authority to discontinue its Santa
Fe Avenue coach line, County of
Los Angeles.

Application No. 18185.

Gibson, Dunn & Crutcher, by Philip C. Sterry,
for Applicant.

Delbert A. Hessick, for City of Huntington
Park, Protestant.

BY THE COMMISSION:

O P I N I O N

The Los Angeles Railway Corporation filed the above entitled application requesting authority to abandon its so-called Santa Fe Avenue Motor Coach Line in the Cities of Vernon and Huntington Park, County of Los Angeles.

A public hearing on said application was conducted by Examiner Kennedy at Los Angeles, on August 17, 1932, at which time the matter was duly submitted.

Applicant now operates motor coach service, known as its Santa Fe Avenue Motor Coach Line, daily on Santa Fe Avenue between Fifty-eighth Street (in the City of Vernon) and Florence Avenue (in the City of Huntington Park), a distance of one mile, under a certificate of public convenience and necessity granted by this Commission's Decision No. 14333, dated December 4, 1924, on Application No. 10606. Said line connects with applicant's rail line at 58th Street and Santa Fe Avenue.

Applicant alleges that its request to abandon service on said motor coach line is based upon the fact that, in its

opinion, patronage has been reduced to the point where operation is not justified; that the cost of operation far exceeds the revenue produced by said line and that the present financial condition of the company makes it imperative that every reasonable economy in operation be effected.

Service on this line is performed with one motor coach between the hours of approximately 6:00 A.M. and 6:30 P.M., so that no further material reduction in operating expense is possible.

A traffic check taken for a two-day period, April 12 and 13, 1932, shows an average traffic of 1.2 passengers per trip.

The financial results of operation and the number of passengers carried on said line for the year 1931 and the first three months of 1932, as shown by the application, are as follows:

	Year 1931	1932		
		January	February	March
Operating Income,	\$2,014.09	\$146.33	\$143.51	\$132.78
Operating Expenses,	7,255.82	616.26	572.36	799.24
Taxes,	344.69	25.50	25.80	25.14
Operating Expenses and Taxes	\$7,600.51	\$641.76	\$598.16	\$824.38
Loss,	\$5,586.42	\$495.43	\$454.65	\$691.60
Loss per Coach Mile,	11.15¢	11.20¢	10.51¢	14.80¢
<u>Passengers:</u>				
Revenue,	29,883	2,181	2,111	2,205
Free,	585	44	64	40
Transfer,	25,508	1,655	1,538	1,585
Total,	55,976	3,880	3,713	3,830

The financial results of operation for applicant's entire system for the month of June, 1932, are as follows:

Operating Revenue,	\$821,076.10
Operating Expenses,	785,270.78
Net Revenue,	35,807.32
Taxes,	55,698.04
Operating Income,	19,890.72*
Non-operating Income,	16,829.62
Gross Income,	3,061.10*
Deductions from Gross Income,	124,313.28
	\$127,374.38*

*= Red Ink Figures.

Applicant also operates a rail line on Pacific Boulevard which is parallel to and approximately one-third mile east of Santa Fe Avenue, so that the abandonment of service along Santa Fe Avenue south of 58th Street would not leave the territory traversed by the Santa Fe Avenue Motor Coach Line completely without public transportation service.

From the evidence adduced at the hearing, it appears that some passengers have discontinued using this bus service, due to poor connections being made with the rail line at 58th Street and Santa Fe Avenue. Inasmuch as the record shows that this line has never earned operating expenses and taxes, it does not appear that the number of passengers discontinuing the use of the bus due to alleged poor service is sufficient to affect the decision in this matter.

The City of Huntington Park protested the granting of the application on the grounds that the service was of benefit and convenience to certain residents of the City of Huntington Park and that a number of residents desired, as evidenced by petitions, the extension of said motor coach service southerly to Independence Avenue and northerly to Vernon Avenue. With reference to the petitions requesting that the motor coach service be extended, no conclusive showing of public convenience and necessity justifying such extensions was made.

After full consideration of the evidence and exhibits herein, we are of the opinion, and hereby find as a fact, that public convenience and necessity do not require the continued operation of the motor coach service herein proposed to be discontinued, it being apparent that the operation cannot be conducted except at a material loss; that no reduction in operating expenses

can be made to enable profitable operation and that the amount of revenue, in comparison to the operating costs, places an undue and unwarranted burden on applicant and its other patrons in the continued maintenance of the unprofitable service herein proposed to be abandoned.

O R D E R

The Los Angeles Railway Corporation having filed the above entitled application, a public hearing having been held and the Commission being fully apprised of the facts,

IT IS HEREBY ORDERED that Los Angeles Railway Corporation is hereby authorized to abandon its so-called Santa Fe Motor Coach Line, in the Cities of Vernon and Huntington Park, County of Los Angeles, and to cancel, in conformity with the rules of this Commission, all passenger rate tariffs and time schedules applying to said line, subject to the following conditions:

1. Applicant shall afford the public at least ten (10) days' notice of such abandonment of service, by posting notices of such abandonment in all motor coaches operating over said line.
2. Applicant shall notify this Commission, in writing, within thirty (30) days after said abandonment of service has become effective.
3. If said service has not been abandoned within one (1) year from the date of this order, the authority 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, in its opinion, may be required by public convenience and necessity.

IT IS HEREBY FURTHER ORDERED that the certificate of public convenience and necessity granted by this Commission's Decision No. 14333, dated December 4, 1924, on Application No. 10606, be and the same is hereby revoked and annulled.

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

October Dated at San Francisco, California, this 3rd day of ~~September~~ 1932.

Charles
Leon
M. H. Carr
M. B. Higgins
Frank G. Stewart
Commissioners