Decision No. 25788

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of SAN JOSE RAILROADS, a corporation, to abandon passenger bus service from the intersection of Martin Avenue with The Alameda to the intersection of Hedding Street with Park Avenue, via Martin Avenue and Park Avenue, in the City of San Jose.

Application No. 18694.

Arthur G. Shoup, for Applicant.

Clarence P. Goodwin, Manager, and Archer Bowden, City Attorney, for the City of San Jose, Protestant.

BY THE COMMISSION:

## <u>OPINION</u>

In this application San Jose Railroads requests authority to abandon a passenger bus service now operating along Martin and Park Avenues in the City of San Jose. A public hearing was held at San Jose on March 24th before Examiner Hunter.

The line which applicant proposes to abandon was established in 1929 under authority granted by the Commission in Decision No. 21010 dated April 24th, 1929, in Application No. 15382.

This line operates from the intersection of Park Avenue and Hedding Street along Park and Martin Avenues to a transfer point with the rail line of applicant at Martin Avenue and The Alameda, a distance of 1.2 miles. Only one bus is operated on this line. Prior to the extension of the line along Park Avenue, authorized in 1929, a bus was operated from the same transfer point with the rail line along Martin

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and Tilman Avenues through a portion of the territory now served. Within recent years the district to the southwest of Park Avenue has been subdivided and a substantial number of homes constructed. When the service along Park Avenue was inaugurated it was hoped that sufficient revenue would develop to make the operation profitable. The line has now been in operation for some four years and it is apparent from exhibits presented at the hearing that at no time has the revenue been sufficient to pay the out-of-pocket costs of operation. In 1932 the revenue on this line amounted to \$3,784.79 and the cost of operation was about \$7,800.00. It was also shown that applicant's system as a whole is operated at a loss.

San Jose Railroads operates a street car line along The Alameda, which is parallel to Park Avenue. The distance between these two streets is approximately 2,000 feet and in the event the bus line is discontinued the district would not be left entirely without transportation. The discontinuance of this line was protested by the City of San Jose and petitions signed by a great number of residents of the district have been presented.

The Commission fully appreciates that to a certain number of these residents the bus line does furnish a convenience, but it is not reasonable that applicant should be required to provide service at an actual loss when the public without undue inconvenience has access to other transportation. The Commission is of the opinion that a line which operates through a well built-up district such as this without paying the actual cost of the service is not a public necessity and the application will therefore be granted.

## ORDER

San Jose Railroads having made application to the Commission for permission to abandon a passenger bus service along Martin and Park Avenues in the City of San Jose, previously

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authorized by the Commission in its Decision No. 21010, in Application No. 15382, public hearing having been held and the Commission being fully apprised of the facts,

IT IS HEREBY ORDERED that San Jose Railroads is hereby authorized to discontinue the operation of its passenger bus line along Park and Martin Avenues in the City of San Jose on ten (10) days, notice to the public and to cancel its rates, tariffs and schedules pertaining thereto.

Applicant shall, within thirty (30) days thereafter, notify this Commission, in writing, of the abandonment of the passenger service herein authorized and of its compliance with the conditions hereof.

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 twenty (20) days from the date hereof.

Dated at San Francisco, California, this <u>Ind</u> day of <u>April</u>, 1933.

Commissioners.

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