

DECISION NO. 3045

ORIGINAL

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Appli-)
cation of C. L. HOVEY,)
Receiver for the Boca &)
Loyalton Railroad Company)
for authority to discontinue)
the operation of said rail-)
road from January 1, 1916)
to May 1, 1916.)

APPLICATION NO. 2028.

- A. E. Bolton for Applicant.
- A. E. Cheney for Grizzly Creek Ice Company, Protestant.
- A. Davies for Davies Box and Lumber Company, Protestant.
- W. H. Duncan for Sierra Valley Creamery, Protestant.

GORDON, Commissioner.

O P I N I O N.

This is an application on behalf of C. L. Hovey as Receiver of the Boca & Loyalton Railroad Company for the authorization by this Commission of a suspension of operation of the Boca & Loyalton Railroad for the period extending from January 1, 1916, to May 1, 1916, it being alleged that the amount of freight and passenger traffic offering for movement during such period is not productive of sufficient revenue to justify operation and that a material financial loss would be sustained were operation of the line to be conducted. This application is brought under the provisions of the Commission's General Order No. 36 which requires that no suspension of operation shall be permitted until the authorization of this Commission shall have been secured.

A public hearing was held at San Francisco on January 13, 1916, the matter was submitted and is now ready for decision.

The Boca & Loyalton Railroad extends from Portola in Plumas

County to Boca in Nevada County, a distance of 45.3 miles. The portion of the line between Boca in Nevada County and Loyalton in Sierra County, a distance of 26.1 miles, is through a mountainous country, sparsely settled, difficult of operation during the winter months and producing practically no freight or passenger revenue during the winter season. The source of revenue on this portion of the line has been principally from the operation of lumber mills and box factories. It appears that there are no mills operating at the present time and that none contemplate resuming their operations during the period covered by this application. There is no freight movement anticipated on this portion of the line excepting such as will be furnished by the Davies Box & Lumber Company in connection with the dismantling of their plant at Davies Spur. Such shipments will be ready for movement in the month of April, 1916, and the Receiver of the Boca & Loyalton Railroad advised the Commission that whenever the freight was offered for movement service would be given. It is understood that the freight for any other shipper or consignee that may be offered for movement at the same time as that of the Davies Box & Lumber Company will be cared for by the applicant. There was no other protest against the suspension of operation for the desired period for the portion of the line between Boca and Loyalton.

The portion of the line extending from Loyalton in Sierra County to Portola in Plumas County is 19.1 miles in length. This portion of the line serves the Sierra Valley and is not subject to the difficulty of operation during the winter months that is present on the portion of the railroad between Boca and Loyalton. The stations of Portola, Beckwith, Hawley and Loyalton are located on this portion of the line, the station of Loyalton also serving the communities at Sierraville and Sattley. Protest was made at the hearing of this application against the entire abandonment of service of the railroad between Portola and Loyalton. The Sierra Valley Creamery, Inc., is located at Loyalton and this creamery which is a co-operative company,

handles the dairy products for practically the entire Sierra Valley. The suspension of service as sought by the applicant would result in a suspension of the operations of the creamery and result in a material loss to the dairy interests of this section in that it would be impossible to market and dispose of their products. The Grizzly Ice Creek Company have a plant for the harvesting and storage of natural ice which is situated on a spur track about 1-1/4 miles north of the main line of the Boca & Loyalton Railroad, such spur connecting with the main line at a point between the stations of Portola and Beckwith. This ice company has a considerable plant investment and a storage capacity of 20,000 tons. In order to successfully handle its business it is necessary to make seasonal contracts with its customers and patrons and these contracts often require the furnishing of ice during every month in the year. If the entire suspension of operation were to be granted for the period desired in the application the business of the Grizzly Ice Company would be seriously interfered with and it was shown that there were shipments that would require to be moved during the months in which suspension of operation was requested.

The town of Loyalton and its environs has a population of about 1100 and such population would have no method of transportation other than that furnished by stage lines, which were often inoperative by reason of weather conditions, if suspension of operation on the line of the Boca & Loyalton Railroad were to be granted.

The applicant presented testimony as to the losses from operation that had been incurred during the previous winter season and directed the attention of the Commission to the small volume of traffic expected during the period covered by the application due to the cessation of the operation of the lumber and box mills from which the majority of their freight traffic had been derived. A very considerable portion of the heavy expense of winter operation has been borne in past winter seasons in connection with the line from Boca to Loyalton where but a slight amount of traffic has been enjoyed and

where no business other than that of the Davies Box & Lumber Company for movement in April, 1916, is in evidence at this time. The portion of the line between Portola and Loyalton will not be as difficult of operation during the winter months and offers some freight and passenger traffic.

At the hearing of this application it was agreed by all parties that some service should be operated over the portion of the line between Portola and Loyalton during the period covered by the application and it was suggested that a weekly service on Tuesdays be provided during the months of January and February and a service of two trains per week on Tuesdays and Fridays be provided during the months of March and April. This suggested service was satisfactory to all the interested parties appearing at the hearing.

I submit the following form of order:

O R D E R.

C. L. Hovey as Receiver of the Boca & Loyalton Railroad Company having made application to this Commission for an order permitting the suspension of operation on said railroad for the period from January 1, 1916 to May 1, 1916, inclusive, a public hearing having been held and the Commission being fully advised in the premises,

IT IS HEREBY ORDERED, That C. L. Hovey as Receiver of the Boca & Loyalton Railroad Company be and he hereby is authorized to suspend operation of all trains on that portion of the Boca & Loyalton Railroad between the stations of Boca and Loyalton until May 1, 1916.

IT IS HEREBY FURTHER ORDERED, That C. L. Hovey, as Receiver of the Boca & Loyalton Railroad Company, shall immediately establish and operate a schedule of trains on the Boca & Loyalton Railroad between the stations of Portola and Loyalton as follows:

During the remaining portion of the month of January and the entire month of February, 1916, one round trip by mixed train on Tuesday of each week.

During the months of March and April, 1916, a round trip by mixed train on Tuesday and Friday of each week.

Timetables covering the above schedule shall be immediately filed with this Commission and advice be given to the general public by the immediate posting of notices and schedules in all agency stations of the Boca & Loyaltan Railroad.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 15th day of January, 1916.

Max Thelen
J. H. Loveland
W. G. Gordon
Frank R. DeWitt

Commissioners.