

ORIGINAL

Decision No. 6732.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)
HOLTEN INTER-URBAN RAILWAY COMPANY,)
a railway corporation operating in)
Imperial County, State of California,)
for authority and leave of the Rail-)
road Commission to discontinue the)
carrying of passengers by said appli-) Application No. 4827.
cant company from and between El)
Centro and Holtville, in said County)
and State, or for an order of the said)
Commission granting and authorizing)
such other and further relief as to the)
Commission may appear just.)

I. B. Potter for Applicant.

BY THE COMMISSION:

O R D E R

Holten Inter-urban Railway Company, a corporation, has petitioned the Railroad Commission for an order authorizing the discontinuance of passenger service on its line between Holtville and El Centro, all in Imperial County, for the reason that the patronage accorded the line is unprofitable and is resulting in continued and increasing deficits.

A public hearing on the application was conducted by Examiner Handford at El Centro on September 24, 1919, the matter was duly submitted and is now ready for decision.

Applicant herein, in the endeavor to furnish its patrons satisfactory passenger service at the minimum operating cost, discontinued the operation of steam passenger trains on December 31, 1917, and placed in service a passenger bus, with

a capacity of seventeen passengers, such bus being equipped with combination steel and rubber tires, permitting operation over both the rails of the applicant and the public highways. A service of six round trips per day has been maintained, on approximately two hour intervals. Notwithstanding the experiment the patronage of the traveling public has not been accorded the service offered by the applicant and the daily average number of passengers carried is less than twenty per cent of the carrying capacity of the equipment.

The route of the railway is paralleled by the service of passenger automobile stages, operating on an hourly schedule between 7:00 A. M. and 7:00 P. M., and charging higher rates than those in effect on the line of the applicant.

A statement filed by the applicant as an exhibit supporting the application in this proceeding indicates that during the period of seventeen months, January, 1918, to May, 1919, inclusive, the total number of passengers carried was 19, 354 or an average of 37.5 passengers per day. The total revenue during the same period amounted to \$6,946.10, the total expense exclusive of any depreciation amounted to \$6,681.66, a profit of \$264.44 or an average profit of \$15.55 per month. The total expenses, including depreciation, for the above period amounted to \$8,411.76, indicating a deficit of \$1,465.66 or an average deficit of \$86.21 per month. The record further indicates that the monthly deficits are increasing, due to travel becoming lighter and operating expenses increasing.

At the hearing on this application there was no appearances or witnesses in protest against the granting of the application, although the notice of the public hearing had been

advertised in a newspaper of current circulation in the territory served by applicant's line, also notices were posted at all stations of the applicant and in the cars.

We are of the opinion that this is a situation where clearly the public prefers the use of automobile stages even at a higher rate over the route for which applicant seeks abandonment of passenger service, and in the absence of protest of any kind and the fact that a continuing deficit is accumulating in the continuance of a service which is not patronized by the public, it is better than the energies of the applicant company directed to the furnishing of a satisfactory freight service, the abandonment of the freight service not being included with the passenger service, relief from which is sought in this proceeding.

After careful consideration of the application and of the evidence in this proceeding, we are of the opinion that the application should be granted.

IT IS HEREBY ORDERED that this application be and the same hereby is granted, subject to the following conditions.

Applicant herein before discontinuing passenger service between Holtville and El Centro shall post notices for the information of the traveling public in all its stations and passenger cars, such notice to contain the date upon which the discontinuance of passenger service shall become effective under the permission hereby granted.

The Commission reserves the right to make such other and further orders in this proceeding as to it may be considered just and proper, or as the public convenience and necessity may, in the judgment of the Commission, demand.

Dated at San Francisco, California, this 2nd day of October, 1919.

Edwin R. Edgerton
H. D. Loveland
Frank R. Herber
Irving Martin

Commissioners.