

ORIGINAL

Decision No. 2013.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of)
SAN JOSE RAILROADS, a corporation;)
for permission to abandon its narrow)
gauge line between Linda Vista and) Application No. 4581.
Toyon Stations, in the County of)
Santa Clara, State of California.)

Lieb and Lieb for Applicant.
J. W. Walker for J. H. Moise, Protestant.
Mrs. Mabel L. Ueman for Residents of
East Side, Protestants.
Mrs. L. Emerson, Protestant.
Miss Rose Kauffman, Protestant.
Mrs. A. B. Chamberlain, Protestant.

BY THE COMMISSION:

O P I N I O N

San Jose Railroads, a corporation, have petitioned the Railroad Commission for an order authorizing the suspension of operation and abandonment of its narrow gauge line of railway operating between Linda Vista and Toyon in the county of Santa Clara; it being alleged that the revenue derived from the operation of the line does not justify its continued maintenance and operation.

- A public hearing on this application was held by Examiner Handford at San Jose, the matter was duly submitted and is now ready for decision.

The matter of the proposed abandonment of the Linda Vista-Toyon Branch of the San Jose Railroads was the subject of a previous application to the Commission under Application Number 3817. The Commission in its Decision Number 5677, decided August 10, 1918, (Opinions and Orders of the Railroad Commission Volume No. 15, page 1062), dismissed the application without prejudice for the reason that an increase in rates had been made on the lines of the San Jose Railroads shortly prior to the former application for discontinuance of service on the Linda Vista-Toyon Branch and permission to abandon the line was withheld subject to the right of applicant to file further application for abandonment at the expiration of ninety days should it be found that the condition of traffic had not improved to an extent justifying the continuance of operation.

The testimony in this proceeding and the exhibits filed by applicant indicate that for the year ending June 5, 1920, a total of 3,227 passengers were carried of which number 1,658 paid cash fares to the amount of \$256.03; 1,569 passengers using tickets or transfers. The average number of passengers carried per day was 10.18; 58 one way trips being made per day with an average number of passengers per trip of 0.175. The expense of operation, making no allowance for depreciation, superintendence, overhead expense or interest on investment, amounts to \$10.30 per day with a gross revenue allowing six cents for each passenger carried, or 61.1 cents per day; a net loss from daily operation of \$9.69 or a net loss per annum of \$3534.39. The record, as evidenced by exhibits introduced at the hearing on this proceeding, indicates that less patronage has been furnished the line sought to be abandoned than was the case when the matter of abandonment was

being considered in connection with the former Application Number 3817 and increased operating expenses, both as to labor and cost of material, have contributed to an increasing deficit which has not been offset by any increase in travel notwithstanding that an increased fare was authorized covering the entire system operated by the San Jose Railroads.

The granting of this application is opposed by the residents who are now served by the line on the basis that abandonment of service will leave such protestants without any method of transportation. The line sought to be abandoned is but 1.45 miles in length; is in poor physical condition and would require an expenditure of approximately \$24,000.00 to rehabilitate same to a proper standard. The operation of the entire system of the San Jose Railroads has resulted in a deficit for some years and there appears no possibility of continuing the operation of the branch line herein sought to be abandoned for the reason that the use of one-man cars and all other possible economies have already been made effective without producing a revenue sufficient to defray the actual costs of operation from which are eliminated the items of overhead, superintendence, depreciation and any interest on investment. The traffic on the line even at increased rates is growing gradually less and the applicant should not be required to further continue the operation of this unprofitable branch line.

After careful consideration of all the evidence in this proceeding, we are of the opinion and find as a fact that the continued operation of the Linda Vista-Toyon Branch of the San Jose Railroads is not justified in that the revenue derived from its operation does not even approximate the expense of continued maintenance and operation even after deducting all

items of overhead, superintendence, depreciation or interest on investment.

O R D E R

San Jose Railroads, a corporation, having applied to the Railroad Commission for an order authorizing the discontinuance of service and abandonment of its narrow gauge line of railroad known as the Linda Vista-Toyon Branch; a public hearing having been held; the matter having been duly submitted; the Commission being fully advised and basing its order on the finding of fact as appearing in the preceding opinion.

IT IS HEREBY ORDERED that this application be and the same hereby is granted; provided, however, that prior to the suspension of operation as hereinabove authorized applicant will be required to post notices at the terminals of Toyon and Linda Vista and in its cars operated on said line at least ten days prior to the date of suspension of operation for the information of the traveling public.

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 27th day of August, 1920.

Edwin O. Edgerton
H. D. Long
Frank R. Worley
H. B. Prudig

Commissioners.