

Decision No. 26078.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the application of
Pacific Electric Railway Company, a
corporation, for permission to dis-
continue night passenger service on
its local rail line between Venice
and Playa del Rey.

ORIGINAL

Application No. 18734.

R. E. Wedekind, for the applicant.

E. R. Millett, for Oil Operators of Venice,
Protestant.

Edgar L. Martin, for Civic Union of Playa del
Rey, Protestant.

J. R. Hunt and R. B. Blaricom, for Los Angeles
Chamber of Commerce, Venice Branch, Pro-
testant.

J. W. Walters, for Board of Public Utilities
and Transportation of City of Los Angeles,
Interested Party.

BY THE COMMISSION:

O P I N I O N

Pacific Electric Railway Company filed the above entitled application, requesting authority to discontinue night passenger service on its local rail line between Venice and Playa del Rey, in the City of Los Angeles, County of Los Angeles.

A public hearing on this application was conducted before Examiner Kennedy at Venice, on May 24th, 1933, at which time the matter was duly submitted.

Applicant now operates its so-called Lagoon Line, between Venice and Playa del Rey, over and along the following route:

From the intersection of Windward Avenue and Pacific Avenue, southerly on Pacific Avenue, private right of way, Mesmer Avenue and Trolleyway to Esplanade, thence easterly on Esplanade to Vista Del Mar (Playa del Rey).

The service on said line consists of practically a thirty-minute headway during the hours of approximately 6:00 A.M. to 12:00 Midnight.

Applicant proposes to discontinue all night service between Venice and Playa del Rey after the trip leaving Venice at 7:12 P.M. and after the trip leaving Playa del Rey at 7:26 P.M. No change, however, is proposed in daily service operated prior to these times.

Exhibit No. 1 shows the number of passengers and the passenger revenue for each trip proposed to be discontinued, during the period May 14th to 20th, inclusive, 1933, as follows:

OUTBOUND - Venice to Playa del Rey

May 14-20, Inclusive

	<u>Passengers</u>	<u>Revenue</u>
7:42 P.M.	6	\$.225
8:12 P.M.	13	.40
8:42 P.M.	6	.225
9:12 P.M.	12	.45
9:42 P.M.	24	.95
10:12 P.M.	5	.175
10:45 P.M.	29	1.125
11:20 P.M.	25	.875
12:11 A.M.	33	1.45
Total	153	\$5.875

INBOUND - Playa del Rey to Venice

May 14-20, Inclusive

	<u>Passengers</u>	<u>Revenue</u>
7:56 P.M.	14	\$.625
8:26 P.M.	23	1.10
8:56 P.M.	6	.275
9:26 P.M.	8	.425
9:56 P.M.	4	.20
10:26 P.M.	1	.05
11:00 P.M.	2	.10
11:34 P.M.	3	.15
12:23 A.M.	4	.20
Total	65	\$3.125

It may be seen from the above figures that the night service on this line averages approximately 1.7 passengers and \$.07 revenue per trip.

The financial results of operation for this line during the year 1932 are as follows:

Passenger Revenue,	\$3,337.60
Advertising in Cars,	127.73
Total Operating Revenue,	<u>\$3,465.33</u>
Railway Operating Expenses (Out-of-Pocket),	9,675.19
Net Loss, Railway Operation,	<u>\$6,209.86</u>
Taxes,	147.28
Net Loss (Out-of-Pocket),	<u>\$6,357.14</u>

The saving in out-of-pocket expenses by the elimination of the night service on said line was estimated to be \$2,400.00 annually.

Applicant alleges that, in view of its precarious financial condition, it is necessary to effect all reasonable economies in operation wherever possible; that this line is entailing an out-of-pocket annual loss of approximately \$6,300.00 which, in applicant's opinion, is an excessive and unreasonable burden; that there appeared to be no prospect of improved earnings on said line; and that the discontinuance of the night service would effect a material saving in the cost of performing said service.

The Venice Branch of the Los Angeles Chamber of Commerce, the Oil Operators of Venice and the Civic Union of Playa del Rey protested the granting of this application on the grounds that this service was an integral part of a transportation system and should be continued regardless of loss; that the rail service was the only means of transportation for certain residents and domestic servants of the area contiguous to said line; and that the discontinuance of night service on said line would adversely affect property values in the Playa del Rey area and vicinity.

The Board of Public Utilities and Transportation of the City of Los Angeles, as shown by Exhibit No. 9, is not opposed to the granting of said application.

After full consideration of the evidence and exhibits herein, we are of the opinion that public convenience and necessity

do not require the continued operation of night service on applicant's so-called Lagoon Line, herein proposed to be discontinued, it being apparent that the operation cannot be conducted except at a material out-of-pocket loss, and that the amount of revenue, in comparison with the operating costs, places an undue and unwarranted burden on applicant and its patrons in the continued maintenance of the unprofitable service herein proposed to be discontinued.

O R D E R

A public hearing having been held on the above entitled application, the matter having been duly submitted and the Commission being now fully advised,

IT IS HEREBY ORDERED that Pacific Electric Railway Company be and it is hereby authorized to discontinue all night rail service on its so-called Lagoon Line between Venice and Playa del Rey, applied for herein, subject to the following conditions:

- (1) Applicant shall afford the public at least ten (10) days' notice of such discontinuance of night service by posting notices in all passenger cars operating on said line and at all stations affected.
- (2) Applicant shall notify the Commission, in writing, within thirty (30) days after said discontinuance of night service has become effective.
- (3) If said service has not been discontinued within one (1) year from the date of this order, the authorization 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 or proper or as, in its

opinion, may be required by public convenience and necessity.

For all other purposes, the effective date of this order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 19th day of June, 1933.

C. L. Loney
Leon A. Whidely
W. J. Carr
M. B. Harris
W. H. [Signature]
Commissioners.