

Decision No. 27612

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SOUTHERN PACIFIC COMPANY - First:
To discontinue the operations of
trains Nos. 351-352 and 353-354 op-
erating between Los Angeles and Ox-
nard, California; and, Second: To
maintain its so-called Santa Paula
Branch between Montalvo and Saugus,
California, under less than full
operation as defined by Section 468
of the California Civil Code.

RECEIVED
RAILROAD COMMISSION
Application No. 19352.

R. S. Myers and E. J. Foulds, by R. S. Myers,
for Applicant.
Don R. Holt, Chief Deputy District Attorney of
Ventura County, for Ventura County, Pro-
testant.
W. Mark Durley, for Ventura County Chamber of
Commerce, Protestant.
Jack C. Miller, for Oxnard Chamber of Commerce.
R. H. Blanchard, City Attorney, for the City
of Santa Paula.
Harry See, for Brotherhood of Railroad Train-
men.
W. E. Glover, for Ventura County Chamber of
Commerce, Protestant.
M. H. Cobb, for the City of Fillmore, Protestant.
F. M. Erskine, for Fillmore Chamber of Commerce,
Protestant.
G. A. Kocchig, for Santa Paula Chamber of Com-
merce, Protestant.
Fred Pidduck, for Law and Utilities Committee,
Ventura Farm Bureau.

BY THE COMMISSION:

O P I N I O N

In this proceeding, Southern Pacific Company seeks authority to discontinue the operation of its passenger trains numbered 351-352 and 353-354 between Los Angeles and Oxnard. These trains are operated over applicant's main line between Los Angeles and Saugus, over its so-called Santa Paula Branch

between Saugus and Montalvo and over its main line between Montalvo and Oxnard.

Public hearings were conducted in this matter by Examiner Gorman at Santa Paula on April 5th and September 19th and at Los Angeles on October 19th, 1934, on the latter date the matter having been duly submitted.

Applicant seeks authority to discontinue the operation of passenger train service between Los Angeles and Oxnard via the Santa Paula Branch and alleges that such authority is sought on account of the fact that the revenue derived from such passenger service is insufficient to meet the out-of-pocket cost of operation; that the financial condition of the company has made it imperative that all reasonable economies be effected; that other passenger common carrier service is being afforded the territory; and that the discontinuance of said service will not constitute an unreasonable inconvenience to the travelling public.

Passenger service, consisting of one round trip daily, is now provided by applicant's motor trains, designated as trains Nos. 351-352 and 353-354, between Los Angeles and Oxnard, a distance of 83.2 miles.

Exhibit No. 4 shows the direct service expense and revenue per annum, applicable to operation of the trains involved herein, which are as follows:

	<u>Total Revenue</u>	<u>Revenue per Car Mile</u>
Passengers	\$4,555.	
Mail	2,668.	
Express	1,195.	
Baggage	43.	
Total	\$8,461.	13.93¢

<u>OUT-OF-POCKET OPERATING EXPENSE</u>	<u>Total Cost</u>	<u>Cost per Car Mile</u>
Wages, Engineers & Trainmen	\$8,709.	
Fuel	2,496.	
Motor Car Repairs	5,539.	
Motor Car Supplies & Lubricants	304.	
Train Supplies & Expenses	507.	
Baggage Car Repairs	656.	
Wages, Express Messenger	1,080.	
Total Out-of-Pocket Expense	\$19,291.	31.76¢
Out-of-pocket Loss in Operation	\$10,830.	17.83¢

The actual out-of-pocket cost of operating said passenger service for 1933 was considerably higher than shown above, since during a part of that period distillate was used as fuel previous to the introduction of the butane gas, which substantially reduced the fuel cost and, in addition, steam trains were used when the motor cars were out of service for repairs. The out-of-pocket cost of operation, as set forth above, is 31.76 cents per car mile; however, the total cost of operation was approximately 52 cents per car mile.

A traffic check (Exhibit No. 9), taken on said trains during the period April 1st, 1933 to March 31st, 1934, shows an average of approximately eight passengers per trip.

Pacific Greyhound Lines, Inc. operates a passenger motor coach service between Los Angeles and Ventura, which practically parallels the route of the rail service proposed to be abandoned and serves all the communities of any consequence now being served by said rail line. A comparison of the rail schedule of trains Nos. 351-352 and 353-354 with that of the Pacific Greyhound is as follows:

	<u>Train 351-352</u>	<u>Pacific Greyhound</u>	
		Ventura	
Lv. Oxnard	6:45 A.M.	7:15 A.M.	4:20 P.M.
Lv. Santa Paula	7:18	7:43	4:50
Lv. Fillmore	7:34	8:03	5:10
Lv. Saugus	8:20	9:00	6:07
Ar. Los Angeles	9:35	10:40	7:30

	<u>Train 353-354</u>	<u>Pacific Greyhound</u>	
Lv. Los Angeles	7:05 P.M.	7:15 A.M.	5:15 P.M.
Lv. Saugus	8:19	9:10	6:55
Lv. Fillmore	9:07	9:57	7:40
Lv. Santa Paula	9:22	10:22	8:02
Ar. Oxnard	9:53 (Ventura)	11:00	9:00

The above tabulation shows that the scheduled time for the bus service is more or less comparable with the rail service. It may be noted that the running time for the rail service between Los Angeles and Santa Paula is two hours and seventeen minutes, while the running time for the bus service between the same points varies from two hours and forty minutes to three hours and seven minutes. At the present time the busses operating through the Santa Paula Valley require a transfer to main line busses at Saugus, involving a layover at said point of from three to thirty-eight minutes.

A witness for Pacific Greyhound testified that during the past few months passenger traffic has shown a substantial increase; that it was hoped that business would continue to increase sufficiently to warrant the operation of through motor coach service between Los Angeles and Oxnard via Santa Paula, as was formerly operated; and that his company is equipped to handle any increased business which may result from the discontinuance of the train service involved herein.

The bus schedules through the Santa Paula Valley are so arranged that practically direct connections are made with both northbound and southbound Southern Pacific main line trains at Ventura or Oxnard.

A representative of Railway Express Agency, Inc. testified that in the event the train service involved herein is abandoned, his company would provide at least an equivalent service at rates identical with existing rates.

Resolutions filed by the Ventura County Chamber of Commerce and Santa Paula Chamber of Commerce protested the granting

of this application, on the grounds that the discontinuance of passenger train service through the Santa Paula Valley would result in delay to express and mail service and remove the station of Santa Paula from the passenger railroad time-tables, thereby breaking rail passenger contact with other communities. The protestants who appeared at the hearing presented no evidence in support of the allegation that public convenience and necessity justified the continued operation of said passenger train service.

Protestants also averred that the earnings of the passenger service on the Santa Paula Branch should not be considered independently of the freight earnings (both intra and interstate), derived from the operations of said branch line. This information was introduced in evidence by applicant; however, it does not appear necessary to set forth same, inasmuch as the Commission held in a previous case (Decision No. 26474, dated October 30th, 1933, on Application No. 19000), that the freight earnings were not the determining factor in deciding whether or not passenger service should be continued, as it did not appear to be in the public interest to require passenger trains to be operated over a line where a substantial out-of-pocket loss is incurred, which must be borne by the carrier or made up through other forms of revenue, if the public can be provided with reasonably adequate and efficient service by other means of transportation.

This application does not in any way involve freight operation or agency service.

After carefully considering the record in this proceeding, it is concluded that this application should be granted. This conclusion is supported by the fact that existing bus lines are able to take care of passengers and baggage and an equivalent express service will be provided. This substitute service, under

prevailing conditions, will be reasonably adequate to meet public convenience and necessity.

O R D E R

Public hearings having been held in the above entitled proceeding and the matter being now under submission and ready for decision;

IT IS HEREBY ORDERED that Southern Pacific Company be and it is hereby authorized to discontinue operation of its passenger trains numbered 351-352 and 353-354 between Los Angeles and Oxnard via its so-called Santa Paula Branch, subject, however, to the following conditions:

- (1) The public shall be given not less than ten (10) days' advance notice of the proposed discontinuance of passenger service, by posting notices in all passenger trains operated over the Santa Paula Branch and at all stations affected.
- (2) Applicant shall advise this Commission, in writing, within thirty (30) days thereafter, of the discontinuance of the passenger service authorized herein.
- (3) 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.
- (4) Applicant shall make any necessary changes in its tariffs and station lists on not less than five (5) days' notice to the Commission and the public.
- (5) The Commission reserves the right to make such further orders, relative to this matter, as to it may seem right and proper and to revoke the authority granted herein if, in its judgment, public convenience and necessity demand such action.

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

Dated at San Francisco, California, this 29th day of December, 1934.

Leon O'Connell
M. D. Linn
M. B. Harris
W. H. ...
Frank ...
Commissioners.