31383 Decision No. BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA OBIGINAL In the Matter of the Application of PACIFIC ELECTRIC RAILWAY COMPANY, a corporation, For Authority to Abandon Passenger Service on That Portion of Its Los Angeles-San Pedro via Torrance Application Line Between Torrance (Plaza Del Amo) and San Pedro, in the County of Los Angeles, California. No. 21994 C. W. Cornell for Pacific Electric Railway Company. K. Chas. Bean and S. M. Lanham, for The Board of Public Utilities and Transportation of the City of Los Angeles, Interested Party. Leonard J. Young, for City of Torrance, Protestant. Lena M. Preston, for Harbor City Chamber of Commerce, Protestant. BY THE COMMISSION: OPINION This is an application filed by the Pacific Electric Railway Company seeking authority to abandon passenger service on that portion of its Los Angeles-San Pedro via Torrance line between Torrance and San Pedro, Los Angeles County. A public hearing in this proceeding was conducted before Examiner Ager at Los Angeles on September 23rd, 1938, at which time the matter was taken under submission and is now ready for decision. By reference to Exhibit B attached to the application, it will be noted that, excepting for two outbound schedules, one of which leaves Los Angeles at 6:00 o'clock A. M., the other at 5:25 P. M., and one inbound schedule leaving Torrance at 7:14 A. M., all of the service proposed in this application to be abandoned, is shuttle service connecting with Redondo Beach trains at Hermosillo. Sunday service on the line, without excep-

tion, consists of shuttle operation between Hermosillo and

San Pedro, connecting at Hermosillo with Redondo Beach via Gardena line trains.

Although the application proposes to discontinue the operation of the 5:25 P.M. through-train from Los angeles, it is intended that a shuttle connection with a Redondo Beach train at Hermosillo will give service to Torrance on approximately the same schedule as is the case at present.

A 3-day check of the inbound traffic on that portion of the line proposed to be abandoned is attached to the application as Exhibit C. Reference to this check shows that on the heaviest day, namely Saturday, January 22nd, 1938,total revenue derived from the 16 inbound schedules amounted to \$17.75. On that day 91 revenue passengers were handled on these schedules. The record shows that the travel on the portion of the line over which it is proposed to discontinue passenger service is not productive of sufficient revenue to warrant the continued operation of such service and, in the opinion of witnesses for the applicant, there is no prospect of sufficient business in the future to justify its continuance.

The testimony indicates that, under the present method of operation a net annual loss of \$5143.00 is being incurred; whereas under the proposed plan of operation this loss would be reduced to \$848.00 per year.

Further than this, it is estimated that \$1903.00 per year would be diverted to the Redondo Beach via Gardena line and, if such were the case, the result would be an income of \$1055.00 per year to the company instead of the loss of \$848.00 indicated above.

In the estimate of out-of-pocket expenses shown on Exhibit D, no item for way and structure expenses has been included for the reason that operations are over tracks that will be continued for freight service. However, a witness for the applicant testified that, due to the fact that a higher standard of maintenance is required for passenger operation than is the case for freight

operation, there would be a saving of approximately \$2800.00 per year in maintenance costs, if passenger operation were discontinued.

Several persons appeared at the hearing and protested against the removal of the service as proposed, particularly through the Harbor City area, it being their contention that, if service over the rail line were discontinued, they would be left entirely without public transportation. Examination of these protestants however, developed the fact that the service is little used except as a convenience to those persons who may desire to make occasional trips to Torrance or San Pedro.

Exhibit A shows that the area will not be entirely without service for the reason that the Motor Coach Corporation operates through substantially the same area as that where rail service is proposed to be abandoned.

A witness for this latter company testified that at one time coaches were operated through the Earbor City area, but that failure to develop sufficient patronage resulted in a re-routing over the present line. This witness also testified that, in his opinion, there was not sufficient potential patronage at the present time to warrant consideration of a plan to route the coaches through Harbor City.

Exhibit C, as substantiated by verbal testimony at the hearing, shows clearly that there is little use made of the service through the area involved, and indicates that it would hardly seem reasonable to require a carrier to maintain a service for the benefit of these comparatively few patrons, when such service is being conducted at an out-of-pocket loss.

Careful consideration of the record in this proceeding,

loads to the conclusion that the application to abandon service as proposed is reasonable, and should be granted. The following order will so provide: ORDER Public hearing having been held and the Commission being fully advised, IT IS HERBEY ORDERED that the Pacific Electric Railway Company is hereby authorized to discontinue the operation of passenger service on that portion of its Los Angeles-San redro via Gardena and Torrance line, between the intersection of Border Street and Plaza Del Amo, (Plaza Dol Amo stop) in the city of Torrance on the north, and Firth Street (Pacific Electric Station) San Podro on the south; and to cancel, in conformity with the rules of this Commission, all passenger rate tariffs and time schedules pertaining thereto. This authorization is subject to the following conditions: The public shall be given not less than ten (10) days! notice prior to the abandonment, by posting notices in all cars operating on the line, and at all stations affected. Applicant shall, within thirty (50) days thereafter, notify this Commission in writing of the abandonment of the passenger service herein authorized, and of its compliance with the conditions of this order. (5) The authorization herein granted shall lapse and become void if not exercised within one year from the date hereof unless further time is granted by subsequent order. -4For all other purposes the effective date of this Order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 242 day of October, 1938.

Commissioners.