

Decision No. 31546

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHERN PACIFIC COMPANY, first, for)
permission to discontinue the oper-)
ation of mixed trains operating be-) Application No. 22307
tween Stockton and Merced, via)
Oakdale, and second, for authority)
to discontinue all passenger service)
on its so-called Oakdale Branch.)

R. S. MYERS, for Applicant.

HARRY SEE, for Brotherhood of Railroad Trainmen.

J. W. WITT, for The Grange Company, Modesto,
California.

BY THE COMMISSION:

O P I N I O N

Applicant, Southern Pacific Company, has requested permission to discontinue the operation of its mixed trains operating between Stockton and Merced via Oakdale, and, as these trains now constitute the only passenger service now operated on its Oakdale Branch, to also discontinue all passenger service on said branch.

A public hearing in the matter was held before Examiner Edwards at Merced on December 1, 1936, at which time the matter was submitted. A review of the evidence follows.

At the present time applicant operates a mixed train from Stockton to Merced via the Oakdale Branch on Mondays, Wednesdays, and Fridays. The corresponding operation in the reverse direction, from Merced to Stockton, is conducted on Tuesdays, Thursdays, and Saturdays. In addition to the mixed train applicant operates daily, except Sundays, a freight train from Stockton to Oakdale and return, and provides, on occasion, special services to handle livestock and perishable freight. Discontinuance of the mixed train will not affect the daily operation of this freight service as far south as Oakdale, and the performance of the special service. If the mixed trains are discontinued, applicant proposes to render an on-call

freight service for carload business between Oakdale and Merced, such on-call freight service to be daily except Sunday.

There are only two agencies on this branch line located at Oakdale and Waterford. Shippers requiring service will order it, as at present, through the agents at these points.

In providing this on-call service, applicant intends to use its present Stockton-Oakdale train for operations as far south as Ryer. Service to points farther south, i.e., to points from Basel to Merced, will be provided by a local freight train now operating out of Merced. All less-carload traffic will be handled by Pacific Motor Transport trucks now serving the area.

There are only two railway express agencies on the branch, namely, Oakdale and Waterford. The Oakdale express is now handled by stages out of Modesto and will continue to be so handled in the future. The Waterford express is now handled by the mixed trains, but applicant proposes in the future to handle it by the Pacific Motor Transport service which now serves Waterford. No mail is transported on the mixed trains.

The evidence indicates that the passenger revenue on this branch line approximates \$225.00 per year. During two test periods, aggregating thirty-three days, the volume of the passenger traffic and passenger revenue was as follows:

	<u>Southbound Train No. 448</u>		<u>Northbound Train No. 449</u>	
	<u>Passengers</u>	<u>Revenue</u>	<u>Passengers</u>	<u>Revenue</u>
May 14, to 27, 1938	10	\$ 6.77	10	\$ 4.06
Nov. 1, to 19, 1938	<u>9</u>	<u>4.71</u>	<u>9</u>	<u>5.36</u>
Total	19	\$11.48	19	\$ 9.42

The principal communities served by this branch line are Peters, Farmington, Valley Home, Oakdale, and Waterford. During the 33 days embraced in the test periods, the origin or destination of the passenger traffic on this branch was as follows:

Peters	1	passenger
Farmington	5	"
Oakdale	18	"
Waterford	5	"
Valley Home	3	"
Ferrin	<u>1</u>	"
Total	38	"

If the mixed train service is discontinued, the community of Farmington will have a round trip schedule to Stockton daily via the Sierra Transit Company; Valley Home will have a Greyhound schedule daily in one direction and a round trip schedule via the Sierra Railway busses; Oakdale will have daily service to Stockton via the Sierra Railway busses, to Manteca via the Pacific Greyhound busses, and to Modesto via the Modesto-Oakdale Stage Line. Southern Pacific Company has joint ticket arrangements into Oakdale with all these carriers. Waterford is the principal point left without passenger service, however, a check of the tickets sold by the agent at this point indicates that during the ten months, January to October, 1938, inclusive, the total passenger revenue was only \$6.40, and during four of the months no tickets were sold at all. Waterford is ten miles from Oakdale. Evidence introduced by the applicant indicates that very few of the long distance rail passengers buying tickets at these branch line stations use the branch line service in reaching the main line. The evidence indicates that they use private transportation to the main line connecting points and there board the trains.

In support of its application, applicant testified that discontinuance of the mixed trains would accomplish a saving of \$13,448 annually. The annual out-of-pocket costs of operating the two tri-weekly mixed trains amount to \$14,829. A study of the volume of business handled between Oakdale and Merced during the year ended October 31, 1938, indicates that had the proposed on-call service then been in effect the local freight train between Stockton and Oakdale would have had to make the movement south of Oakdale 112 times, while local freight out of Merced would have had to operate 3 times. The added

out-of-pocket costs of providing this on-call service with the presently operated freight trains was estimated to be \$1,156. The estimated loss in passenger traffic would be \$225. The deduction of these two items of \$1,156 and \$225 from the out-of-pocket costs of \$14,829 yields the net saving referred to above of \$13,448.

No protests were made to discontinuance of these mixed trains.

A review of the record clearly indicates that public convenience and necessity do not require the continued operation of passenger service between Stockton and Merced via Oakdale; that the passenger requirements of applicant do not require the continued operation of the mixed trains now operated over this route; and that the application should be granted.

O R D E R

IT IS HEREBY ORDERED that Southern Pacific Company is hereby authorized to (a) discontinue the operation of the mixed trains between Stockton and Merced via Oakdale; and (b) abandon passenger service on its Oakdale branch between Stockton and Merced, all subject to the following conditions:

1. Applicant shall give not less than ten (10) days' notice to the public of said discontinuance of service by posting notice on all trains affected and at all stations involved.
2. Applicant shall, in conformity with the General Orders of this Commission, cancel all passenger tariffs and time schedules applying to said discontinued service on not less than ten (10) days' notice to the Commission and to the public.
3. Applicant shall within thirty (30) days thereafter notify this Commission in writing of the abandonment of the service authorized herein and of its compliance with the conditions hereof.
4. 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.

The authority herein granted shall become effective on
the date hereof.

Dated at San Francisco, California, this 12th day of
December, 1938.

Raymond W. ...
Leon ...
Frank ...
W. H. ...
Commissioners