Decision No. _ 533592

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN)
PACIFIC COMPANY to discontinue all scheduled)
passenger service on portions of its so-)
called San Jose-Santa Cruz Branch.

Application No. 23372

E. J. FOULDS and R. S. MYERS, for Applicant.

EDWARD STERN, for Railway Express Agency, Inc., Interested Party.

HARRY J. BIAS, BERT SNYDER, M. C. HALL, and DONALD YOUNGER, for Santa Cruz Chamber of Commerce.

HARRY SEE, for Brotherhood of Railroad Trainmen.

CARL S. BALCH, Mayor of Los Gatos.

CHARLES SEFICK, MRS. B. B. WILDER, and W. W. CLARK, Protestants.

BAKER, COMMISSIONER:

DECISION

SUPPLEMENTAL OPINION

Through Application No. 23372, in the above-entitled proceeding, the Southern Pacific Company requests authority, two-fold in nature, as particularly set forth in Sections numbered I and II hereof, next hereinafter appearing:

- I. To discontinue, temporarily, all scheduled rail passenger service on that portion of its San Jose-Santa Cruz Branch between Los Gatos and Santa Cruz, pending a determination by the Interstate Commerce Commission of the Southern Pacific Company's application (Finance Docket No. 12815) for authority to abandon that portion of the applicant's line between Los Gatos and Olympia; and
- II. To discontinue permanently all scheduled passenger service on that portion of the applicant's branch line extending from Santa Cruz to Olympia in the event that, by appropriate order

in Finance Docket No. 12815, the Interstate Commerce Commission authorizes the abandonment of the applicant's line between points of Los Gatos and Olympia.

With reference to that portion of the said application whereby the Southern Facific Company seeks authorization for temporary discontinuance of all scheduled rail passenger service on that segment of the said line between Los Gatos and Santa Cruz, as per Section "I" above, a hearing was had thereon in Santa Cruz, California, on the 26th day of April, 1940; and thereafter, on the 4th day of June, 1940, the Commission made and entered of record its decision therein, being Decision No. 33168, by the provisions of which the Commission authorized the Southern Pacific Company to discontinue regular passenger train service between Los Gatos and Santa Cruz pending a determination of the issue raised in the said Finance Docket No. 12815 of the Interstate Commerce Commission.

On the 2nd day of July, 1940, at the City of Santa Cruz, a joint or consolidated hearing was held by the Interstate Commerce Commission on the said Finance Docket No. 12815, and by the California Railroad Commission with respect to that portion of the said Application No. 23372, set forth in Section "II" above, which seeks authority to discontinue permanently all scheduled passenger service on that segment of the applicant's branch line extending from Santa Cruz to Olympia. During the progress of such joint hearing, it was stipulated that the record of the Interstate Commerce Commission in the said hearing on Finance Docket No. 12815 might be deemed the record of the California Railroad Commission, in so far as it may be applicable, in connection with a final determination of the said Application No. 23372.

On the 31st day of October, 1940, the Interstate Commerce Commission rendered its decision in Finance Docket No. 12815, thereby

authorizing the Southern Pacific Company to abandon its railroad line between Los Gatos, in the County of Santa Clara, and Olympia, in the County of Santa Cruz, the effective date thereof being designated as December 10th, 1940. In view of such determination of the issue in Finance Docket No. 12015, it remains for the Railroad Commission of California to pass upon the said second portion of Application No. 23372 relative to the request of the Southern Pacific Company to discontinue permanently all scheduled passenger service on the remaining portion of the line between Olympia and Santa Cruz.

That segment of the line last referred to above consists of 8.8 miles of single track railroad serving the northerly portion of the City of Santa Cruz and the communities of Big Trees, Felton, Mt. Hermon, and Olympia. Notwithstanding that the applicant desires to abandon permanently all passenger service thereon, yet it proposes to retain this portion of its rail line in order to continue a freight service between Santa Cruz and Olympia, and intermediate points, but with particular reference to the transportation of sand from a plant located at Olympia.

The matter of freight service between Santa Cruz and points other than those situated upon the said segment of 8.8 miles, extending from Santa Cruz to Olympia, as aforesaid, should not be deemed to be within the issues of this proceeding; for all such freight as formerly moved over the line between Los Gatos and Olympia, and thence on to Santa Cruz, has for quite a long time been routed to a connection with the main line of the applicant at watsonville Junction, and that service will be continued.

Ever since the closing of the said railroad line in February of this year, due to the devastation of severe storms, that passenger service which formerly moved by train between Los Gatos and Santa Cruz has been handled by an arrangement between the Southern Pacific

Company and the Pacific Greyhound Lines. This service has been not only adequate to meet the public need, but has operated to reduce the running time approximately 30 minutes. Such substituted bus service will, upon the abandonment of the railroad line under the said Interstate Commerce Commission decision, be continued.

Previous to the closing of the rail line the Southern Pacific Company operated two trains in each direction daily, except Sunday, between Los Gatos and Santa Cruz, and one in each direction on Sunday. These trains originated at or terminated in San Francisco and provided a morning and evening service in each direction. Trains still operate between San Francisco and Los Gatos on about the same schedules. A comparison of the departure and arrival times at various points affected is set forth in the following tabulation:

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					10:10					(Lv.	5:40	_
Olympia		10:57			Sorve	نح		6:27		Not	Şerv	٤d
Mt. Hermon	•	Flag			10:43			Flag			6:13	
Felton		11-04			10:47			6:34	•		6:17	
Big Trees		Flag	•		3.:01			Flag			6:18	٠,
Santa Cruz	Ar.	11:27		Ar.	10:50			6:53		Ar.	6:20	
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Felton		7:18			7:31			7:21			7:26	
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From this tabulation, it is apparent that in so far as running time is concerned the train and bus service is superior to the all-train service, savings up to 30 minutes being made between

San Francisco and Santa Cruz, with corresponding reduction in running time between other points. In addition to the schedules making connection with applicant's trains at Los Gatos, other schedules are operated in the territory by both Pacific Greyhound Lines and Peerless Stages.

In addition to the regular passenger train service provided over this line in the past, applicant has also, during the summer season, operated its so-called "Sun Tan Specials," these being Sunday excursion trains from San Francisco to Santa Cruz and return. Applicant states that it has no intention of discontinuing these excursion trains, but will operate them via Watsonvillo Junction, which route, although longer, is over a better and a faster track, resulting in but a slight increase in the running time.

The greater portion of the passenger business previously . handled over this line has been between the terminal points of Santa Cruz and San Francisco, the amount of local business originating at intermediate points between Santa Cruz and Los Gatos being relatively small. A statement filed in the Interstate Commerce Commission proceedings indicates that for the year 1939; 3,415 passengers originated at, or were destined to, points between Olympia and Los Gatos. Those passengers produced a total system revenue for the year of \$1,659. The volume of passenger business originating at, or destined to, points between Santa Cruz and Olympia is greater, but much of it is excursion business moving between San Francisco and Big Trees, which will continue to be moved by a special train operating via Watsonville Junction and Santa Cruz. The remaining passenger business to or from this section by train was largely between San Francisco and Felton. This transportation is now handled by bus to or from Los Gatos in shorter time. In 1939, the last full year of train operation, but 1,370 passengers, producing a revenue of

W 23372

\$239.00, were moved locally between Santa Cruz-Olympia and intermediate points.

In view of the fact that the Interstate Commerce Commission has granted applicant permission to abandon the greater portion of this line, leaving only the 8.8 miles between Santa Cruz and Olympia, and the evidence that this area is well served by existing motor carriers operating a faster and more convenient service, it is apparent that there is no further necessity for retaining passenger operations over this short stub line. Consequently, I recommend that the application to abandon such said passenger train service be granted. The following form of order is recommended.

ORDER

Hearings having been held on the above-entitled application, and the matter submitted and ready for decision,

IT IS HEREBY ORDERED that the said application of Southern Pacific Company be, and the same is, hereby granted, and that the said Southern Pacific Company is hereby authorized to discontinue permanently all scheduled passenger train service on its line of railroad between Santa Cruz and Olympia, lying wholly within the County of Santa Cruz, State of California.

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.

The effective date of this order shall be December 10, 1940. Dated at San Francisco, California, December 3 1940.