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Decision No. 24059

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application)
of NORTHWESTERN PACIFIC)
RAILROAD COMPANY to cancel)
certain passenger tariffs)
and parts of passenger tar-)
iffs, including such author-)
ity as may be necessary)
thereto under Section 63 of)
the Public Utilities Act.)

Application No. 24059

BY THE COMMISSION:

Appearances

E. J. Foulds, for applicant.
William D. Fusselman, for Marvelous Marin,
Inc. and Marin Chamber of Commerce,
protestant.
A. E. Bagshaw by Harold J. Haley, for
County of Marin.
L. R. Knutte, for Novato Chamber of Commerce.

O P I N I O N

Applicant is a common carrier by railroad of passengers and property. It has on file with this Commission tariffs containing fares, among others, for the transportation of passengers between Point Reyes and intermediate points west of Manor, and Ukiah and Kenwood and intermediate points north of San Rafael on the one hand and San Francisco and intermediate points on the other.¹ By this application it seeks to cancel these tariffs or such portions thereof as contain fares between these points.

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Point Reyes is on what was formerly applicant's Point Reyes branch 38 miles northwest of San Francisco; Ukiah is on the San Francisco-Eureka main line 114 miles north of San Francisco and Kenwood is on the Sonoma Valley branch 54 miles north of San Francisco. The fares are contained in Joint Passenger Tariff No. 59-B, C.R.C. No. 1938, and Joint Passenger Tariff No. 16-H, C.R.C. No. 1858. In addition thereto applicant also has on file Joint Passenger Tariff No. 66, C.R.C. No. 1779 providing for honoring passenger tickets reading via the Northwestern Pacific Railroad Company on motor coaches of Pacific Greyhound Lines, Inc.

The matter was heard at San Rafael on June 1 and June 25, 1941.

A clear understanding of the issues involved requires a brief review of the historical background of the services and fares. Prior to August 1, 1933, service under the fares applicant seeks to cancel were performed by steam train. On that date pursuant to authority previously obtained from this Commission applicant discontinued operations between Point Reyes and Manor.² The authority was conditioned upon the inauguration of similar service by Pacific Greyhound Lines, and upon the publication of joint rates by that carrier and applicant. On June 12, 1935, applicant discontinued certain passenger trains serving main line points between Ukiah and San Francisco and branch line points between Kenwood and Ignacio.³ The authority for this discontinuance was likewise conditioned upon the concurrent inauguration of bus service by Pacific Greyhound Lines. Applicant, however, did not discontinue all service between these points nor cancel its tariffs. Instead it continued a limited service, published an optional routing tariff⁴ by virtue of which holders of Northwestern Pacific tickets could at their option travel over the Pacific Greyhound Lines between the same points at no additional cost, and entered into an arrangement with Pacific Greyhound Lines for the pooling of operations and earnings.⁵ The pooling arrangement was canceled March 1, 1941 at which time applicant also discontinued all service on its interurban electric line between Sausalito and San Rafael and on its ferry route between Sausalito and

² Decision No. 25533 of January 9, 1933 in Application No. 18587.

³ Decision No. 27973 of May 20, 1935 in Application No. 19844.

⁴ Joint Passenger Tariff No. 66, C.R.C. No. 1779.

⁵ Under the arrangement applicant paid Pacific Greyhound Lines an amount equal to the cost of performing the service plus 58% of any profit. Should the operation result in a loss Pacific Greyhound Lines was to stand 58% thereof.

6
San Francisco. From the record that some 50 people are involved. At the present time the only passenger service physically performed by applicant, so far as the issues here are concerned, consists of two main line steam trains between Sausalito and points north thereof. These trains are not sufficient nor do they run on schedules suitable for commuting. Nevertheless, applicant maintains in effect tariffs naming local and joint fares, including commutation fares between the points mentioned. As a result substantially all services under the tickets sold by applicant and at the fares published by it are performed by Pacific Greyhound Lines in accordance with the provisions of the optional routing tariff. This results in a situation of which the following is illustrative:

The Northwestern Pacific publishes a monthly commutation fare between Novato, a point 11 miles north of San Rafael, and San Francisco, of \$12.50. Between Novato and Sausalito it operates two steam trains a day; between Sausalito and San Francisco it has no passenger service whatsoever. As has been stated the two trains do not operate on a schedule suitable for commutation service. Pacific Greyhound Lines maintains a local commutation fare between Novato and San Francisco of \$18.05 and under the optional routing arrangement hereinbefore discussed transports between these points passengers holding Northwestern Pacific tickets purchased for \$12.50. On each such ticket sold by it and used in Pacific Greyhound Lines service Northwestern Pacific pays Pacific Greyhound Lines \$5.55 more than it receives. During March and April, 1941, this amounted to \$1520.77. It is to avoid this loss that applicant seeks to cancel the tariffs in issue.

6

Decision No. 33103 in re Application of Northwestern Pacific Railroad Company (42 C.R.C. 661). In that decision the Commission found that applicant's interurban system could not be operated on any fare or service basis which would render revenue sufficient to pay out-of-pocket cost and authorized the discontinuance concurrently with the inauguration by Pacific Greyhound Lines of a bus service.

Upon consideration of all the facts and circumstances of record, we are of the opinion and find that with the filing by Pacific Greyhound Lines of the fares agreed to this application should be granted.

O R D E R

This matter having been duly heard and submitted and the Commission now being fully advised,

IT IS HEREBY ORDERED that applicant Northwestern Pacific Railroad Company be and it is hereby authorized to cancel, in conformity with the rules of this Commission, upon not less than one (1) day's notice to the Railroad Commission and the public, Joint Passenger Tariff No. 59-B, C.R.C. No. 1938, Joint Passenger Tariff No. 66, C.R.C. No. 1779, and the following portions of Supplement No. 6 to Local and Joint Passenger Tariff No. 16-H, C.R.C. No. 1858, viz.:

Section 7 - adult monthly commutation fares as follows:

<u>Between</u>	<u>And</u>
San Francisco	Miller, Geyserville and intermediate stations
San Francisco	Black Point, Glen Ellen and intermediate stations

Section 11 - third paragraph of Rule (a-1) pertaining to 30-trip family commutation ticket fares.

Fares shown under "Exceptions" as follows:

<u>Between</u>	<u>And</u>
San Francisco	Novato, Ukiah and intermediate stations
San Francisco	Black Point, Fetters Springs and intermediate stations

That portion of the second paragraph of Rule C-1 of said Supplement No. 6, which reads as follows:

Fares from and to San Francisco are applicable via the Pacific Greyhound Lines, San Francisco to Sausalito thence Northwestern Pacific Railroad Company or vice versa.

subject to the condition that the authority herein granted shall not become effective unless and until Pacific Greyhound Lines shall have established and put into effect fares of the volume of those set forth in Appendix "A" attached hereto and hereby made a part hereof.

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 July, 1941.

[Signature]
[Signature]
Justin P. Quisenberry
Francis D. Haveman
[Signature]
Commissioners

APPENDIX "A"

Individual Monthly Commutation Fares
via
Pacific Greyhound Lines
Between
San Francisco

	<u>and</u>	<u>Fare</u>
Points north of San Rafael to and including the Sonoma-Marin County Line		\$14.50
Points north of the Sonoma-Marin County Line to and including Petaluma		18.50
Points north of Petaluma to and including Cotati		22.00
Points north of Cotati to and including Santa Rosa		25.50