

Decision No. 38621

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of)
O. L. HARLAN for a certificate of)
public convenience and necessity to)
abandon passenger service between)
San Jose, Santa Clara and Permanente.)

Application No. 24724

26724

O P I N I O N

By the above entitled application, O. L. Harlan seeks authority to discontinue and abandon passenger stage operations between San Jose, Santa Clara and Permanente.

The certificate involved was originally granted to O. L. Harlan and J. K. Challen, partners, by Decision No. 35428, dated June 2, 1942. Harlan thereafter was authorized by Decision No. 36020 to acquire sole ownership of such operative right.

The application states in substance that the number of persons utilizing the service each month has decreased to a level where the expense of providing the service exceeds the revenue, resulting in an out of pocket loss to applicant which he can no longer sustain. It is also stated that the equipment utilized in the operation has depreciated to such an extent that the cost of replacement is not justified by the returns from the operation. Beginning in the month of June 1944 through July 1945 the operation was subsidized by the Permanente Metals Corporation of Permanente,

(1)
 in the monthly amounts shown in the margin. These payments were discontinued after July 1945. The total contributions for the 14 month period amounted to \$3925. Applicant contends that even with the contribution the operation has not been profitable. Attached to the application is a statement of the receipts and expenditures in connection with the operation for the months January 1944 to July 1945, both inclusive, which shows an operating loss for each month during this period except for the months of June and August 1944. Also attached to the application is a letter of the Permanente Metals Corporation, by its industrial relations manager, which states, in substance, that because of the recent reductions in personnel continuation of the passenger stage line of applicant is no longer necessary for the operation of the plant. The line was established to provide transportation for persons traveling to or from this plant.

After full consideration of applicant's request for authority to discontinue and abandon his operations between San Jose and Permanente, it is our judgment that the authority sought should be granted. No public hearing is necessary.

(1) Monthly amounts contributed by Permanente Metals Corporation:

<u>1944</u>		<u>1945</u>	
June	\$ 350.00	Forward	\$1925.00
July	350.00	January	200.00
August	350.00	February	200.00
September	275.00	March	200.00
October	200.00	April	200.00
November	200.00	May	400.00
December	200.00	June	400.00
	<u>\$1925.00</u>	July	400.00
			<u>\$3925.00</u>

ORDER

Good cause appearing,

IT IS ORDERED that O. L. Harlan is hereby authorized to discontinue and abandon passenger stage operations between San Jose, Santa Clara and Permanente as heretofore authorized by Decision No. 36020, in Application No. 25351 and Decision No. 35428, in Application No. 24953 which operative rights are hereby revoked and annulled.

IT IS FURTHER ORDERED that all effective tariffs and time tables on file with the Commission in the name of O. L. Harlan are hereby cancelled.

The effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 22nd day of January, 1946.

Edward Ruden
James F. Quincey
Francis Carr
James D. Russell
Harold P. Hills
COMMISSIONERS