

Decision No. 58218**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SOUTHERN PACIFIC COMPANY to discon-
tinue the operation of trains Nos.
155 and 156 between San Francisco
and San Jose.

Application No. 39719

In the Matter of the Commission's
investigation on its own motion into
the sufficiency of passenger train
services on Southern Pacific Company
between Sacramento and San Francisco
and other points in California
(limited to local service of Southern
Pacific between San Francisco, San
Jose, and intermediate points).

Case No. 5234

Charles W. Burkett, Jr., and John MacDonald Smith
for Southern Pacific Company, applicant and
respondent.

Leonard M. Wickliffe for the California State Legis-
lative Committee of the Order of Railway Conductors
and Brakemen, and G. R. Mitchell, Chairman, Calif-
ornia State Legislative Board, Brotherhood of
Locomotive Engineers; George W. Ballard and James
E. Howe for the Brotherhood of Railroad Trainmen,
AFL-CIO; William V. Ellis for the California State
Legislative Board of Locomotive Firemen and
Enginemen; G. W. Ballard for E. A. McMillan,
Brotherhood of Railway and Steamship Clerks; Axel
E. Christiansen, Assistant City Attorney for the
City of Redwood City, protestants in Application
No. 39719 and interested parties in Case No. 5234.
Dion R. Holm and Robert P. Laughead for the City and
County of San Francisco, and Walter I. Phillips, in
propria persona, interested parties.
William C. Bricca, John L. Pearson and James K. Gibson
for the Commission's staff.

For other appearances in Case No. 5234, see previous
decisions issued in this matter.

O P I N I O N

On January 10, 1958, applicant Southern Pacific Company
filed the application herein requesting that the Commission authorize

it to discontinue the operation of passenger train No. 155 except on Sundays and holidays and to discontinue the operation of passenger train No. 156. Passenger train No. 155 now operates daily from San Jose to San Francisco and passenger train No. 156 operates daily except Sundays and holidays from San Francisco to San Jose. Public hearings were held in San Francisco before Commissioner Matthew J. Dooley and Examiner Wilson E. Cline on May 26 and August 6, 7 and 8, 1958. At the close of the hearing on August 8, 1958, Application No. 39719 was taken under submission and Case No. 5234 was continued to a date to be set.

Description of Present Service

Trains Nos. 155 and 156 are single car trains which operate with a two-level gallery-type car seating 145 passengers. These gallery-type cars are the latest type commuter equipment.

Train No. 155 leaves San Jose at 8:20 p.m. and arrives in San Francisco at 9:50 p.m.^{1/} The next earlier train No. 153 leaves San Jose at 6:00 p.m. and arrives in San Francisco at 7:50 p.m. but makes no stop at Bayshore. The next later train No. 157 leaves San Jose at 10:00 p.m. and arrives at San Francisco at 11:25 p.m. and makes the same stops as train No. 155. If train No. 155 be discontinued, there would be a gap of four hours from 6:00 p.m. to 10:00 p.m. when no train would be available for persons who wish to take the evening train from San Jose to San Francisco. During a one-week period of April 28 to May 3, 1958, a daily passenger check made by applicant on train No. 155 showed a daily average of 32 revenue passengers, of which six were regular users and 26 were occasional riders. During this same period, 55 pass riders, or a daily average of nine, used train No. 155.

Train No. 156 leaves San Francisco at 11:20 p.m. and arrives in San Jose at 12:45 a.m. The next earlier train No. 154

^{1/} Now 9:45 p.m.

leaves San Francisco at 10:00 p.m. and arrives at San Jose at 11:30 p.m., and the next later train No. 160^{2/} leaves San Francisco at 12:30 a.m. and arrives at San Jose at 2:15 a.m. The discontinuance of train No. 156 would leave a gap of two hours and 30 minutes from 10:00 p.m. to 12:30 a.m. for persons wishing to take the late evening train from San Francisco to San Jose. During the one-week period of April 28 to May 3, 1958, the daily passenger check made by applicant on train No. 156 showed a daily average of 43 revenue passengers, of which 13 were regular users and 30 were occasional riders. On this train during the same test period, there was a daily average of 18 pass riders.

The Commission staff witness testified that a one-week check of passengers during the month of May, 1958, showed an average of 47 passengers who used train No. 155 each week-day and an average of 68 passengers who used train No. 156 each week-day. He further testified that 65 percent of the revenue passengers on train No. 156 were regular passengers of applicant.

Results of Operation

Applicant introduced evidence to show the estimated annual results of operating trains Nos. 155 and 156, as follows:

Revenues	\$ 13,537
Out-of-Pocket Expenses	<u>104,346</u>
Net Loss	<u>\$ 90,809</u>

Applicant's Exhibit No. 6 shows a comparison of revenues with estimated expenses of wages and fuel of operating these trains to be:

Revenues	\$ 13,537
Estimated Expense of Wages and Fuel	<u>41,004</u>
Excess of estimated Expense of Wages and Fuel over Revenues	<u>\$ 27,467</u>

^{2/} Now No. 106

As a result of cross-examination it was developed that if trains Nos. 155 and 156 were discontinued there would be a reduction in the total miles traveled by the gallery-type equipment, as under present scheduling applicant would not be able to use the equipment on another round trip. By reason of this fact, it would appear that the allowance for depreciation of equipment in the out-of-pocket expense estimates has been overstated.

Other attacks also were made by various parties upon applicant's estimates of out-of-pocket loss.

Although in previous proceedings, which have been consolidated with Case No. 5234, evidence was introduced to show the operating results of the entire Peninsula local service, no such evidence has been introduced in connection with the application herein. Also, no evidence has been introduced to show the results of applicant's total California intrastate operations.

Adequacy of Alternate Service

Applicant at the present time has a blanket optional-honoring arrangement with Western Greyhound Lines in California under which Southern Pacific tickets will be honored on Western Greyhound Lines' bus schedules between all points which are common to the two carriers. The general arrangement does not apply to low-rated commuter tickets of Southern Pacific but a special arrangement provides that all classes of Southern Pacific commuter tickets reading between San Francisco and Palo Alto and intermediate stations will be honored without additional charge on Western Greyhound Lines' schedules leaving San Francisco at 2:40 a.m. and arriving at Palo Alto at 4:04 a.m. The basic fare structure of Western Greyhound Lines is generally lower than that of Southern Pacific Company.

Western Greyhound Lines normally uses a 4801-GM bus which has a passenger capacity of 50 and is a fairly modern and quite comfortable bus. There are bus schedules for the F, M, and B lines

which are near the departing time schedules of trains Nos. 155 and 156. Greyhound will add another bus to a schedule if the traffic is sufficient to warrant the use of additional equipment. In general, however, the running times are longer for the buses than for the trains. The 11:45 p.m. Greyhound bus from San Francisco to San Jose requires one hour and 47 minutes as compared to one hour and 25 minutes for train No. 156. The Greyhound bus leaving San Jose for San Francisco at 7:30 p.m. requires two hours and one minute and the bus leaving San Jose at 8:45 p.m. requires one hour and 48 minutes for the trip. The same trip on train No. 155 takes one hour and 30 minutes. In the event train No. 155 be discontinued, a passenger who wishes to go from San Jose to San Bruno by bus would have a particularly difficult time. He would have to transfer twice, once at Redwood City and once at San Mateo, in order to reach his destination.

The Commission staff witness recommended that, in the event the Commission authorizes the discontinuance of trains Nos. 155 and 156 as requested by applicant, an optional ticket-honoring arrangement should be made with Western Greyhound Lines by Southern Pacific Company permitting present train passengers to obtain public transportation in the evening without long delays or the purchase of additional tickets. He recommended that such ticket-honoring arrangement should be applicable for northbound passengers after 8:00 p.m. and for southbound passengers after 10:00 p.m.

Protests

Two public witnesses who would be inconvenienced by the discontinuance of the trains testified in opposition. Also, the City of Redwood City submitted testimony through its Assistant City Attorney in protest to the discontinuance of the service afforded by these two trains.

Several representatives of the railroad brotherhoods participated by way of protest at the hearings through cross-examination

and oral argument. The representative of the Order of Railway Conductors and Brakemen also offered testimony.

These representatives, along with the Counsel for the Commission staff, urged that trains Nos. 155 and 156 are an integral part of the over-all Peninsula local passenger train service and that the operating results of these two trains should be considered in the light of the entire Peninsula local passenger train operation of Southern Pacific. The representatives of the railroad brotherhoods also urged that the service offered by Pacific Greyhound Lines is not adequate alternate service for trains Nos. 155 and 156.

The representative for the Order of Railway Conductors and Brakemen at the close of his oral argument moved that the decision in Application No. 39719 be held in abeyance until the submission of Case No. 5234.

Conclusion

Trains Nos. 155 and 156 are a part of the Southern Pacific Peninsula local passenger train operation. Applicant has failed to introduce evidence respecting the results of operation of this segment of its operations. Likewise, applicant has not introduced any evidence respecting its over-all California intrastate operations. In reviewing this application the Commission should consider the results of operation of trains Nos. 155 and 156 in the light of the entire Peninsula local passenger train service and in the light of applicant's California intrastate operations. Further, although applicant has made provision for its commute passengers who leave San Francisco at 2:40 a.m. via Greyhound bus, no adequate provision has been made for applicant's commuters who will be required to travel by Greyhound bus in the event of the discontinuance of trains Nos. 155 and 156.

The Commission finds and concludes that applicant has failed to submit sufficient evidence to justify the granting of the

application. In such circumstances applicant has not borne the burden of proof that public convenience and necessity no longer require the operation sought to be discontinued. The application, therefore, will be denied. The motion that this decision be held in abeyance until the submission of Case No. 5234 is hereby denied.

ORDER

Public hearing having been held in the above-entitled Application No. 39719, the matter having been submitted and based upon the evidence of record and the findings and conclusions set forth in the preceding opinion,

IT IS ORDERED that the application herein be denied.

This order shall be effective twenty days after the date hereof.

Dated at San Francisco, California, this 31st day of March, 1959.

[Signature] President

Theodore Devere
Ernest H. Page
Commissioners