

ORIGINALDecision No. 63550

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SOUTHERN PACIFIC
COMPANY to discontinue the
operation of passenger trains Nos.
223 and 224 between Oakland and
Sacramento.

Application No. 43990

Charles W. Burkett, Jr., for Southern Pacific Company,
applicant.
Ralph W. Lindsey, for the County of Contra Costa;
George W. Ballard, for the Brotherhood of Railroad
Trainmen AFL-CIO; Leonard M. Wickliffe, for the
California State Legislative Committee Order of
Railway Conductors and Brakemen; G. R. Mitchell,
for the Brotherhood of Locomotive Engineers;
William V. Ellis, for the Firemen, Enginemen and
Railroad Brotherhoods, California Legislative
Board; E. A. McMillan, for the California State
Legislative Committee, Brotherhood of Railway
Clerks; protestants.
William C. Bricca, William Peters and T. J. Canty,
for the Commission staff.

O P I N I O N

Southern Pacific Company requests authority to discontinue the "Senator" Trains Nos. 223 and 224 between Oakland and Sacramento and intermediate points.

A public hearing was held before Examiner Thomas E. Daly on January 31, 1962, at San Francisco and the matter was submitted.

At the present time the Senator trains are the only local passenger trains between Oakland and Sacramento serving Berkeley, Richmond, Crockett, Martinez, Suisun-Fairfield, Dixon and Davis as intermediate points. Between applicant's terminals located at 3rd and Townsend Streets in San Francisco and 16th Street in Oakland a bus service is provided under an arrangement with Western Greyhound

Lines. The schedule on Train No. 224 specifies a departure time of 7:20 a.m. from San Francisco and an arrival time of 9:35 a.m. in Sacramento. In the reverse direction the schedule on Train No. 223 specifies a departure time of 5:00 p.m. from Sacramento and an arrival time of 7:05 p.m. in San Francisco. The scheduled time in transit, therefore, is 2 hours and 15 minutes eastbound and 2 hours and 5 minutes westbound. The trains consist of one diesel engine and a single 76-passenger, lightweight chair car.

In addition to the Senator trains applicant operates three "Overland" route trains in each direction between Oakland and Sacramento, three "Shasta" route trains over the route between Oakland and Davis, and two San Joaquin Valley trains over the route between Martinez and Oakland. Although the schedules on most of the through passenger trains specify that reservations are required it was asserted that tickets for local service on these trains may be purchased at any time. If the authority herein sought were granted applicant would have only the transcontinental trains, the "City of San Francisco" Nos. 101 and 102 and the Overland Nos. 27 and 28, operating between the San Francisco Bay Area and Sacramento for passenger service. Train No. 102 leaves San Francisco at 3:05 p.m. and arrives at Sacramento at 5:35 p.m. Train No. 101 leaves Sacramento at 8:30 a.m. and arrives at San Francisco at 11:20 a.m. The corresponding times for No. 28 are 1:55 p.m. and 4:10 p.m., and for No. 27 are 10:10 a.m. and 12:40 p.m. Applicant has recently filed an application with the Interstate Commerce Commission to discontinue the Overland Trains Nos. 27 and 28.

The Shasta Trains Nos. 9, 10, 11 and 12 provide a through train service between Oakland and Davis. A connecting bus service

is provided on these schedules by the Western Greyhound Lines between San Francisco and Oakland and between Davis and Sacramento. The schedules on the Shasta trains are as follows:

Train No. 10	Lv SF	7:20 a.m.	Ar Sac	10:05 a.m.
Train No. 12	Lv SF	3:50 p.m.	Ar Sac	7:10 p.m.
Train No. 11	Lv Sac	5:50 a.m.	Ar SF	9:05 a.m.
Train No. 9	Lv Sac	8:40 p.m.	Ar SF	11:20 p.m.

According to applicant the patronage on the Senator trains has continuously diminished to the point where Train No. 223 averages 29 passengers daily and Train No. 224 averages 23 passengers daily. Groups of school children assertedly compose a large number of the passengers. Applicant's assistant vice president of passenger traffic testified that during the year 1961 wages for the trainmen and enginemen alone exceeded gross revenue by \$37,280. The loss has continued, the witness stated, notwithstanding the fact that applicant has expended a total of \$8,223 on newspaper and radio advertising for the Senator trains during the period January 23, 1961 to April 11, 1961. The witness attributed the loss of passenger traffic to the fact that U.S. Highway 40 between San Francisco and Sacramento is a modern divided freeway over which private automobiles can make the journey in approximately 1 hour and 40 minutes. In addition thereto, he testified that The Greyhound Corporation operates 26 schedules daily from San Francisco to Sacramento and 25 schedules daily from Sacramento to San Francisco. Of these, 16 of the westbound schedules and 15 of the eastbound schedules provide a nonstop express service with an elapsed travel time of 1 hour and 45 minutes. The witness further testified that the Senator trains must also meet the competition of three airlines which operate a total of 35 schedules daily between San Francisco and Sacramento.

Exhibit No. 7 was introduced by the staff and indicates that a field check of the Senator trains was conducted on January 10, 14, 18 and 21, 1962. The staff witness testified that the chair car was clean and comfortable. The passenger count for the days checked was as follows:

	Jan. 10		Jan. 18		Sunday Jan. 14	
	On	Off	On	Off	On	Off
San Francisco	2	-	1	-	6	-
Oakland	6	-	10	-	9	-
Berkeley	4	-	4	-	-	-
Crockett	-	-	-	-	-	-
Martinez	7	-	-	-	4	-
Fairfield	2	4	2	2	-	3
Dixon	-	-	-	-	-	1
Davis	-	5	-	-	-	-
Sacramento	-	12	-	15	-	15
Total	21	21	17	17	19	19

	Jan. 10		Jan. 18		Sunday Jan. 21	
	On	Off	On	Off	On	Off
Sacramento	28	-	15	-	25	-
Davis	3	2	6	-	10	-
Dixon	-	-	-	1	1	-
Fairfield	2	-	4	1	3	-
Martinez	-	6	-	1	1	-
Crockett	-	-	-	1	-	-
Richmond	-	-	-	2	-	2
Berkeley	-	3	-	5	-	17
Oakland	-	11	-	3	-	10
San Francisco	-	11	-	11	-	11
Total	33	33	25	25	40	40

A check of the passengers indicated that 1 out of 3 was riding on a pass. The check did not indicate how many of the non-revenue passengers were riding on company business.

The daily average revenue passengers carried on Trains Nos. 223 and 224 for the years 1958 to 1961, inclusive, are as follows:

<u>Year</u>	<u>Train No. 223</u>	<u>Train No. 224</u>
1958	30	24
1959	28	20
1960	26	17
1961	29	23

The staff also introduced in evidence Exhibit No. 8, which showed the results of operations on an out-of-pocket basis for the Senator trains for the 12-month period ending November 30, 1961, and which may be summarized as follows:

1. <u>Passenger Train Service</u>	
2. Revenue	\$ 30,028
3. Expense	<u>170,831</u>
4. Net Revenue	\$ (140,803)
5. <u>InterService Adjustments to Expense</u>	
6. Freight Service Performed for Benefit of Passenger Service	401
7. Passenger Service Performed for Benefit of Freight Service	(12,370)
8. Net Interservice Expense Adjustment	(11,969)
9. <u>Total Operations</u>	
10. Net Income	(128,834)
11. Income Tax Adjustment	(70,343)
12. Net After Income Tax Adjustment	(58,491)

(Red Figure)

The sum of \$70,343 is an amount by which the staff estimated that applicant's operating loss would be offset by a tax credit.

A representative of the Board of Supervisors of Contra Costa County read into the record a letter from the chairman of the board, which stated, in effect, that the county was in dire need of an integrated transportation system and that applicant should be required to meet its obligations as a public utility and should not be permitted to further reduce its passenger service. Representatives of the brotherhoods argued that applicant should not be permitted to abandon the last local passenger trains between Sacramento and the San Francisco Bay Area.

The Commission is mindful of the fact that by Decision No. 61221 dated December 20, 1960, in Application No. 42468, it denied applicant the authority it again seeks in this proceeding. Based upon the record the Commission was of the opinion that perhaps applicant, with a more conscientious effort, could stimulate interest in local train service between the San Francisco Bay Area and Sacramento. Since that time applicant has spent a substantial amount in advertising the Senator trains but the effect on patronage has been negligible.

It is true that under appropriate circumstances the Commission can require a railroad to provide a particular service at a loss when so justified by public convenience and necessity. Where, however, the public for all practical purposes has abandoned the service there is no reason to require the railroad to continue operating at a loss. Notice of hearing in the instant proceeding was published in papers of general circulation and Chambers of Commerce within the affected area. With the exception of Contra Costa County no interest was indicated.

Unfortunately, in this modern age of speed, with its emphasis on saving time, it appears that because of the slow schedule

and the naturally imposed inconvenience caused by the combined bus and rail service for passengers having San Francisco as their point of origin or destination, the traveling public has in effect abandoned its use of the Senator trains.

After consideration, the Commission finds and concludes that public convenience and necessity no longer require the operation of applicant's Trains Nos. 223 and 224.

O R D E R

Application having been filed and the Commission being informed in the premises,

IT IS ORDERED that:

1. Not earlier than June 1, 1962, and on not less than ten days' notice to the Commission and to the public, Southern Pacific Company may discontinue the operation of the Senator Trains Nos. 223 and 224.

2. Notice of discontinuance of service shall be published in papers of general circulation at least once, more than fifteen days before discontinuance of service and such notice shall be posted for a period of fifteen days prior to discontinuance of service on Trains Nos. 223 and 224 and at all of applicant's stations served by said trains.

3. Prior to discontinuance of service, applicant shall amend its timetables presently on file with this Commission to reflect the authority herein granted.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 10th day of April, 1962.

[Signature] President
[Signature]
[Signature]
[Signature] Commissioners

Commissioner Everett C. McKeage, being necessarily absent, did not participate in the disposition of this proceeding.

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