

We therefore conclude that the public convenience and necessity requires the construction of line proposed by NP. The record demonstrates an overwhelming public support for the granting of NP's application. There is little public support for Milwaukee's application. The record clearly demonstrates a need for service from Mesa to Mattawa. As indicated earlier, Milwaukee's application contemplated construction of a line only from Beverly to a point beyond Mattawa, which would service only about one-third of the area. This would leave almost two-thirds of the area east of Mattawa without rail service. We do not believe granting Milwaukee's application would be in the public interest. Furthermore, both applicants concede that the potential traffic would only support the construction of line by one railroad. In these circumstances we would grant NP's application because it is responsive to public support for rail transportation in the entire area under development for irrigation. The record clearly indicates that NP can handle adequately, efficiently and economically all of the potential traffic in the area.

We find the present and future public convenience and necessity (1) in Finance Docket No. 23825 require construction by the Northern Pacific Railway Company of a line of railroad from Mesa to Mattawa, Wash., as described herein, and (2) in Finance Docket No. 23914 do not require construction by the Chicago, Milwaukee, St. Paul & Pacific Railroad Company of a railroad line in Grant County, Wash., as described herein. An appropriate certificate and order will be entered which will provide that the construction authorized shall be commenced within 3 months of the date of service thereof, and shall be completed on or before January 1, 1969.

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FINANCE DOCKET NO. 21595

NORTHERN PACIFIC RAILWAY CO. DISCONTINUANCE OF  
TRAINS NOS. 3 AND 4 BETWEEN ST. PAUL, MINN., AND  
JAMESTOWN, N. DAK.

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*Decided September 27, 1967*

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Investigation, found that operation by Northern Pacific Railway Company of passenger trains Nos. 3 and 4 between St. Paul, Minn., and Jamestown, N. Dak., is not required by the public convenience and necessity and that continued operation thereof will unduly burden interstate commerce. Investigation discontinued.

*Reginald Ames* for Northern Pacific Railway Co.

*Lloyd Wandtke* for Minnesota Public Service Commission, inter-  
comer in opposition.

*Arvid M. Falk, Gordon C. Moosbrugger, and R. G. Nerison* for  
protestants.

*E. E. Berglund, Richard P. Gallagher, and Frank H. Wilson*  
for railway labor organizations, protestants.

## REPORT OF THE COMMISSION

DIVISION 3, COMMISSIONERS TUGGLE, BROWN, AND DEASON

*Brown, Commissioner:*

Northern Pacific Railway Company, (NP) a carrier by railroad subject to the provisions of part I of the Interstate Commerce Act, pursuant to section 13a(1) of the act, on May 12, 1967 filed with the Commission notice that effective June 18, 1967, the carrier would discontinue service of its passenger trains Nos. 3 and 4 between St. Paul, Minn., and Jamestown, N. Dak., a distance of approximately 344 miles. The notice was accompanied by an appropriate supporting statement. Copies of the notice were served and posted in the manner prescribed by section 13a(1) and the regulations of the Commission pertaining thereto.

These trains at one time had been transcontinental trains but as passenger service declined and railway post office mail service was discontinued, their operation was cut back successively, to Glendive, Moorhead, N. Dak., and Jamestown.

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Numerous petitions and letters of protest were received from individuals, municipalities, and others within the area served by the trains. Protests also were filed by chambers of commerce, city councils, and several organizations of railway employees. The Minnesota Public Service Commission was permitted to intervene in opposition. The protestants assert they would be injured by the proposed discontinuance.

Investigation of the proposed discontinuance was instituted by our order dated June 6, 1967, which requires continued operation of the noticed trains for a period not exceeding 4 months beyond the date when termination of the operation otherwise would have become effective. The 4-months period expires October 18, 1967. Because of the statutory limitation upon the time available for investigation and decision, the order of investigation provided for the omission of a report and recommended order by the examiner, and for certification of the record to us for initial decision. Public hearings were held at St. Paul and Little Falls, Minn., and Fargo and Jamestown, N. Dak., during the week commencing July 17, 1967.

Train No. 3 operates westbound daily except Saturday, departing St. Paul 10:10 p.m., arriving Jamestown 7:36 a.m.; and train No. 4 operates eastbound daily except Sunday, departing Jamestown 4:22 p.m., arriving St. Paul 2:55 a.m. The principal intermediate points served by the trains are as follows: Minneapolis, St. Cloud, Little Falls, Staples, Wadena, Detroit Lakes, and Dilworth, Minn., and Fargo and Valley City, N. Dak. Of the 42 intermediate points between St. Paul and Jamestown, trains No. 3 serves 19 stations, and train No. 4 serves all the intermediate points daily as regular stops or flag stops (except on Monday early mornings between Sartell and St. Paul). The trains provide passenger service and also handle mail, express, and other head-end business.

NP operates other passenger trains between St. Paul and Jamestown as part of through transcontinental trains. Trains Nos. 1 and 25 provide daily service departing St. Paul 8:40 a.m., and 8:25 p.m., respectively, and arriving Jamestown 4:22 p.m., and 2:32 a.m., respectively. Eastbound, trains Nos. 2 and 26 depart Jamestown 2:35 p.m. and 12:03 a.m., and arrive St. Paul 10:20 p.m., and 6:40 a.m., respectively. Trains Nos. 1 and 2 (Main Streeter) serve 14 intermediate stations including the principal points served by the noticed trains, and trains Nos. 25 and 26 (North Coast Limited) provide intermediate point service at Minneapolis, Staples, Fargo, and Valley City (flag stop).

Reproduced from NP's current printed timetable, and attached hereto as appendix A, are the times of departure and arrival at the terminal points, the provisional intermediate stops, and the miles from St. Paul.

In addition to the described passenger service between points on the routes served by trains Nos. 3 and 4, the Great Northern Railway operates five daily trains in each direction between St. Paul and Fargo. Each serves Minneapolis, and four serve Moorhead (near Fargo). St. Cloud is the only intermediate station affected by the noticed trains at which service is provided by Great Northern trains. No station west of Fargo which is served by trains Nos. 3 and 4 is served by Great Northern. Northwest Airlines provides one schedule in each direction daily between St. Paul-Minneapolis and Jamestown, and seven trips eastbound and six trips westbound between St. Paul-Minneapolis and Fargo.

Should the proposed discontinuance become effective, 24 of the points served by trains Nos. 3 and 4 would be without direct railroad service eastbound or westbound. The largest of these points is Anoka, population 11,500.<sup>2</sup> It is 12 miles by highway to Minneapolis which is served by the remaining trains of NP and by Great Northern. The next largest is Sauk Rapids, population 4,000, which is 2 miles from St. Cloud where railroad service will continue to be available. Similarly, Elk River, population 1,750, is 23 miles from Minneapolis, and Casselton, population 1,400, is 22 miles from Fargo. Elk River and Casselton are listed as conditional restricted stops on NP trains Nos. 1 and 2. The other affected stations have populations not exceeding 830 each (12 have populations of about 300 or less). By highway they are from 3 miles to 28 miles from the nearest point where scheduled railroad service would be in effect.

Numerous primary public highways, including completed portions of the new Interstate Highway system connect St. Paul and Jamestown, and most of the communities served by trains Nos. 3 and 4. Central Greyhound Bus Lines is shown by the Official Bus Guide (July 1967) to operate many daily schedules throughout the affected area. At least four daily through schedules are available to riders between St. Paul or Minneapolis and Jamestown. Of those, three schedules serve a majority of the principal intermediate points affected herein. Other schedules operate between St. Paul and Fargo. Except at Philbrook, Bluffton, and Mapleton, the population of each of which does not exceed about 200, every station served by trains Nos. 3 and 4

<sup>2</sup> 1965 estimated populations shown.

receive some degree of bus service. Several of the points have only one daily schedule available and others have only flag stop service or service at adjacent Interstate Highway interchange points to accommodate local passengers. In each case passengers can reach other intermediate stations at which through route bus schedules are maintained.

The normal equipment consist of trains Nos. 3 and 4 over the full route between St. Paul and Jamestown includes one diesel unit, a baggage car, a railway post office car, and a coach. Westbound, train No. 3 also carries a second diesel unit, two baggage cars, a railway post office car, and a coach which are detached at Little Falls. At the latter point the extra diesel and cars are routed as train No. 11 from Little Falls to International Falls, Minn., a distance of 232 miles.<sup>3</sup> Train No. 3 also carries a baggage car which is detached at Detroit Lakes and one which is detached at Fargo. In the reverse direction, train No. 4 picks up the baggage cars at Fargo and Detroit Lakes, and the diesel unit and cars (train No. 12) at Little Falls for return to St. Paul. In total, two diesel units and nine cars depart from and return to St. Paul, and one diesel and three cars arrive and depart Jamestown. The passenger coaches operated on trains Nos. 3 and 4 are drawn from a pool of five similar cars. They are of steel construction, 70 feet in length, air-conditioned, and have 55 to 60 reclining seats. Of the cars in the pool, two were built in 1935, and 4 are about 50 years of age. In the event the proposed discontinuance becomes effective, the oldest equipment or that which requires the greatest amount of maintenance would be retired.

Between St. Paul and Fargo, the trains herein are crewed by an engineer, fireman, conductor, and two brakemen; and between Fargo and Jamestown they operate with an engineer, fireman, conductor and one brakeman. Train No. 3 departs St. Paul with one baggageman who works through to Jamestown. It also has another baggageman and a helper (5 nights a week) between St. Paul and Little Falls who work beyond Little Falls on the International Falls train. Thus, there are 17 enginemen and trainmen operating trains Nos. 3 and 4, plus two baggagemen each day, and a baggage helper 5 nights per week. The baggagemen are employees of Railway Express Agency (REA) and a portion of

<sup>3</sup> Pending before the Minnesota Public Service Commission is NP's application to discontinue operation of train No. 11 and train No. 12. That matter has been the subject of a public hearing. Heretofore, the State commission permitted discontinuance of these trains between St. Paul and Little Falls.

their wages is paid by the subject carrier. Conceivably, if the discontinuance takes place, NP may be able to eliminate the positions of one clerk each at St. Cloud, Staples, Wadena, and Detroit Lakes, and a telegrapher at Little Falls.

The chief objective of the employee organizations is to persuade the Commission to require continued operation of trains Nos. 3 and 4. Nevertheless, they urge that, in the event the proposed discontinuance is ordered, we impose for the protection of adversely affected employees, conditions similar to those prescribed in *Chicago, B. & Q. R. Co. Abandonment*, 257 I.C.C. 700. The Commission consistently has found that it is without authority to impose the requested protection in section 13a(1) proceedings. See *Great Northern Ry. Co. Discontinuance of Service*, 307 I.C.C. 59. However, we have considered the probable effect which the proposal would have upon employees as a factor in determining public convenience and necessity. In our opinion there are insufficient grounds related to the employees' position to make the findings necessary to order continuance of the herein noticed trains.

During 1965, train No. 3 carried 8,875 passengers on 315 trips, an average of 28.17 passengers per trip, and train No. 4 carried 6,859 passengers, or an average of 21.77 per trip. In 1966, train No. 3 carried 9,443 passengers on 314 trips, or 30.07 average per trip, and train No. 4 carried 6,584 passengers, or 20.97 per trip. For these years the combined average passengers per trip on both trains was 25.0, and 25.5, respectively. NP also submitted passenger counts and averages for the first 4 months of 1967, showing 49.39 passengers per trip on train No. 3 and 26.61 per trip on train No. 4. The latter data cannot be considered typical of the per-month average during 1967, inasmuch as those months normally are heavy passenger travel months because winter conditions make highway and airline travel uncertain. The foregoing data were determined from analysis of records of tickets collected by conductors; cash fares received; and tickets honored but not collected, apportioned to the subject trains according to the number of miles traveled thereon.

The supporting exhibits also show results of studies of passengers boarding the trains at each terminal and intermediate station, and the number of passengers leaving the trains at each station. The exhibits omit listing of intermediate stations which provided no business for the trains in question. The data is shown for the 2 years and 4 months previously mentioned. For

purposes of this report we will consider the statistics for 1966 as representing the present level of operations. Between St. Paul and Jamestown 10 intermediate stations averaged no passengers per trip boarding trains No. 3, and 13 stations boarded fewer than 1 passenger per trip. The only stations having an appreciable number of passengers boarding per trip were St. Paul 8.82 and Minneapolis 18.30. St. Cloud provided 1.25 passengers. The number of passengers leaving train No. 3 at 18 intermediate points averaged less than one per trip, and at the others were as follows: St. Cloud 2.03, Little Falls 1.60, Staples 1.21, Wadena 1.97, Detroit Lakes 3.25, Fargo 1.86, and Jamestown 1.43. In addition, an average of 15.14 passengers per trip were carried in the coach attached to train No. 3 for Little Falls and operation beyond as train No. 11.

Similar information for train No. 4 shows that no passengers boarded at 11 of the intermediate stations between Jamestown and St. Paul, and that fewer than 1 person per trip boarded at 20 of the stations listed. The only stations having more than 1 person per trip boarding the train were Jamestown 2.09, and Fargo 3.75. Additionally, the train No. 12, car attached at Little Falls for movement to St. Paul, provided 11.4 passengers average per trip. The average count of passengers leaving train No. 4 was none at 8 intermediate stations, and less than 1 per trip at 22 stations. The others were Fargo 2.09 average per trip, Detroit Lakes 1.69, Minneapolis 8.03, and St. Paul 5.06. Only between Minneapolis and Royalton (86 miles) were there an average of more than 10 passengers on train No. 3 at and between stations. On the segment mentioned the average was 26.40 per trip, including train No. 11 passengers. Between stations west of Detroit Lakes, the average number of passengers was fewer than 6 per trip. On train No. 4, the average passengers on the train at and between stations was slightly more than 13 between Little Falls and Minneapolis, and between Jamestown and Randall (226 miles) the average was fewer than 5 passengers per trip between any successive stations.

NP expends approximately \$1 million per year to advertise its railroad services. About one-third of the advertising budget is devoted to passenger service. Generally, the amount spent for advertising specific passenger trains is not ascertainable. By a program announced in May 1966, to be effective June 1, 1966, NP established a new fare schedule providing coach service for persons of 12 through 21 years of age at 50 percent of the adult

fare. The youth fares are honored on all trains except the North Coast Limited (trains Nos. 25 and 26). Generally, they are applicable between all points on NP's system between St. Paul-Minneapolis and Seattle. An advertising campaign was undertaken to attract young people to ride the trains. In addition to advertisements in newspapers throughout the affected area, NP distributed cards, posters, and direct mailing material publicizing the youth fares. The advertising was repeated periodically during 1966 and 1967.

No official or other person appeared on behalf of the United States Post Office to assert its view of the proposal to discontinue trains Nos. 3 and 4. The manager of NP's mail and express department believes that an indeterminable portion of the mail now handled on the noticed trains would be routed on its other passenger trains, but that most of the mail would be diverted to highway and air line transportation. He also is aware that the Post Office has created sectional distribution points which would relieve the congestion at the major postal centers. St. Paul-Minneapolis, Jamestown, Fargo, and Detroit Lakes have been designated on the route between St. Paul and Jamestown. This development, in his view, permits the phasing out of railway post office cars for the reason that mail would not be worked en route to the regional centers. In many instances, delivery of mail to the regional points would be by transportation modes other than railroads. Also, mail from the regional centers to ultimate delivery points would not be expected to be routed via railroad. Therefore, he anticipates that the mail revenues generated by trains Nos. 3 and 4 would decline in the future.

A representative of the operations division of REA indicated that some of the business now handled by trains Nos. 3 and 4 would be transferred to trains Nos. 1 and 2, and to trains of Great Northern between St. Paul and Fargo. He also believes that appropriate authorization would be sought to operate highway vehicles which would provide service in substitution for that of the trains in question. REA expects to continue to handle all its present business between St. Paul and Jamestown, but anticipates that express stations would be closed at some of the intermediate points served by trains Nos. 3 and 4.

The general balance sheet of NP as of May 31, 1967, shows total assets of \$1,067.5 million, including current assets of \$110.8 million, special funds \$2.4 million, investments \$168.3 million, total properties less recorded depreciation and amorti-



zation \$775.2 million and other assets and deferred charges \$10.8 million. Liabilities include current liabilities \$43.5 million, long-term debt due within 1 year \$14.5 million and due after 1 year \$283.8 million, reserves \$9.6 million, other liabilities and deferred credits \$2.6 million, capital stock \$30.2 million, capital surplus \$262.9 million, and retained income-unappropriated \$420.4 million.

The income statements of NP for the years 1965, 1966, and the first 5 months of 1967, show, respectively, railway operating revenues \$197.9 million, \$210.2 million, and \$76.3 million; net railway operating income \$18.2 million, \$21.0 million, and \$0.4 million; and net income (after non-operating income, fixed charges, and other deductions) \$28.0 million, \$30.7 million, and \$3.9 million. Systemwide passenger operations during 1965 and 1966 incurred total net railway operating deficits of \$16.9 million and \$16.0 million, respectively, calculated on a fully allocated basis. The deficits relating to the passenger operations reduced total net railway operating income (primarily from freight operations) by close to 50 percent in each of the years studied.

Appendix B attached hereto, shows revenues derived from the operation of trains Nos. 3 and 4 for 1965 and 1966 were \$637,814 and \$584,288, respectively. The out-of-pocket expenses incurred by NP in operating the two trains during 1965 and 1966 were claimed to be \$1,022,590 and \$925,563, thus resulting in net out-of-pocket losses of \$384,776 and \$341,275, respectively.

Revenues from passengers, mail, milk and cream, transportation of remains, sleeping car and dining and buffet service (discontinued after 1965) are based on actual amounts received. Express revenues are based on an allocation of REA payments on the basis of revenue per car-foot-mile for registered space on these trains. Newspaper revenue is based on applicable rates per hundredweight of newspapers handled on these trains.

The cost of crew wages reflects actual payments to employees engaged in operating the trains, plus payroll taxes, health and welfare benefits. Among the expenses incurred are those for gross earning tax, injury claims, rents for passenger-train cars and dining and buffet service which are actual. Repairs to diesel locomotives are based on a 10-year average cost per diesel unit-mile for class of locomotive used on these trains. Repairs to passenger cars are based on annual system cost per passenger car-mile. Depreciation is based on annual depreciation

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rates authorized by this Commission and computed only for actual number of days units of equipment were operated on these trains. Lubricants and other supplies for locomotives plus enginehouse expenses are based on annual system average cost per diesel unit-mile in passenger service. Train fuel is based on average cost per diesel unit-mile by class of locomotive used on these trains. Train supplies and expenses are based on annual system average cost per passenger car-mile. The expenses accrued at the St. Paul and Minneapolis terminals represent the minimum amounts by which those expenses would be reduced if trains Nos. 3 and 4 were to be discontinued. The totals shown are adequately supported by excerpts from the existing contracts with the terminal companies, and by typical vouchers and other documents itemizing the cost of each service provided. The estimated savings have been determined on an avoidable cost basis in a manner similar to that approved in *Chicago, R. I. & P. R. Co. Discontinuance of Trains*, 328 I.C.C. 278, 285 *et seq.*

The procedures used to determine the out-of-pocket cost of operating trains Nos. 3 and 4 present reasonably accurate statements of actual costs. The methods utilized in the aforesaid computations are similar to those heretofore found appropriate in abandonment cases and indiscontinuance proceedings considered by the Commission. The estimates as calculated are accepted herein.

Except in the instance of trains Nos. 11 and 12, trains Nos. 3 and 4 do not make reasonably close connection with other passenger trains of NP. Thus, it is not likely that the trains proposed to be discontinued derive any benefit from passengers traveling beyond the points of connection. For that reason consideration has not been accorded to any feeder value accruing to trains Nos. 3 and 4. The record does not explain why the noticed trains should not be credited with some feeder value accruing from the passengers who travel on trains Nos. 11 and 12 north of Little Falls. However, the revenues and expenses discussed hereinabove include on a mileage pro rata basis, all the revenues and expenses related to the trains beyond Little Falls, that properly are assignable to trains Nos. 3 and 4. The computation shows that the total revenues amounted to \$123,367 in 1965, and \$130,197 in 1966. The related expenses are shown as \$186,750 and \$173,025, respectively. Considered alone, that aspect resulted in operating deficits of \$63,383 in 1965, and \$42,828 in 1966.

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For lack of a more reliable measure, we may assume that revenues equivalent to those allocated for the handling of the equipment of trains Nos. 11 and 12 were derived from Little Falls connecting passengers to and from International Falls and intermediate points. Also assuming that the cost of handling those passengers in addition to the riders using trains Nos. 11 and 12 beyond Little Falls, was equivalent to the usually accepted 50 percent of the allocated revenues, the net loss of operating trains Nos. 3 and 4 would be reduced to \$323,092 in 1965, and \$276,176 in 1966.

In addition to the avoidable costs developed in the described estimates of direct savings upon discontinuance of trains Nos. 3 and 4, the record reveals that certain less direct costs also would provide operating savings to NP. For instance, the out-of-pocket costs do not include yard engine expenses in moving the equipment between St. Paul Union Depot and the tracks of Northern Pacific, and exclude the cost of switching the equipment within NP's coach yard, which might result in a reduction of overtime switching payments. Also disregarded is the payment of retroactive wage increases for the period since August 12, 1966, for which NP is responsible under recently negotiated agreements. Another area of probable indirect savings involves the elimination of station clerk positions at St. Cloud, Little Falls, Wadena, Staples, and Detroit Lakes. Other wages and station expenses also might be reduced to some degree.

The protestants presented a total of 23 witnesses to express their reasons for opposing discontinuance of the subject trains. Several presented the viewpoint of communities or organizations they represented, and also explained their personal interest in the train service. In total, there were nine mayors of cities or towns and officials of chambers of commerce; eight members of the legislatures of Minnesota and North Dakota; three persons whose primary interest was the retention of adequate mail service; a representative of a railway employee organization which opposes all discontinuance proposals; and two persons chiefly interested in the passenger service provided by trains Nos. 3 and 4. The cities and towns represented were St. Paul, Minneapolis, St. Cloud, Little Falls, Staples, Wadena, Detroit Lakes, Dilworth, Fargo, Valley City, and Jamestown.

Presented in evidence were several resolutions enacted by the governing body or chamber of commerce of communities which anticipate they would be affected. On examination it developed

that the resolutions were not preceded by investigations, and generally were not founded on knowledge of the railroad's proposal or the situation which motivated its action. Most failed to consider the alternative transportation that would be available in lieu of trains Nos. 3 and 4. The resolutions are broadly stated in terms of the welfare of the communities in hopes that the towns would enjoy prosperity and growth in the future if all the existing railroad service is retained.

The contention by the public-type witnesses is that the convenience and personal preference of the public requires continuation of the trains, and that their loss would injure the tourist trade and industrial growth of the affected areas. Several theorized that the available railroad passenger service should be improved and expanded to keep pace with the increasing population and its potential needs. This, they believe, could be encouraged by aggressive promotion and salesmanship on the part of the railroad. Other spokesmen allege that removal of these trains would discriminate against the rural population of the area and further thwart their economic growth. The protestants also object because of the likelihood that elimination of the trains would cause further deterioration or removal of mail service, which is essential to the local citizens and various businessmen at and near points served by the trains. To the extent they had knowledge, the witnesses had no serious complaints about the operation of the trains or the condition of the equipment being used. However, a few witnesses were critical of the service and the lack of modern equipment, which they believed could attract additional passengers.

The riders who oppose the discontinuance include a housewife residing at Little Falls. Her son is a university student at Minneapolis who visits home on about six weekends during the spring season. He uses train No. 3, because its departure from Minneapolis at 10:35 p.m. suits his work schedule, and the arrival at Little Falls at 1 a.m. is convenient to the family. Generally, he does not use train No. 4 to return to school. Other members of the family do not make use of either of the trains in question. Another student of the university at Minneapolis also uses the late train for trips to his home at Staples. In the reverse direction he rides train No. 2. He purchases the youth half-fare tickets and appreciates the economy involved.

The only other specific reference to persons who require continuation of the trains as riders, was the director of a vo-

cational technical school located at Wadena. The school serves about 75 high schools throughout Minnesota. The witness asserted that many students commute to their homes on weekends and during holiday seasons. He concedes that some students travel by private automobile, but contends that passenger trains also are used by the students. Also, faculty members have occasion to travel to State meetings, frequently at Minneapolis, and the witness believes that railroad service is used by such persons. In neither case was he certain that the riders utilize trains Nos. 3 or 4, and presumed that the other trains of the railroad also are used. The observations of this witness were not supported by the appearance of students or faculty members of the school.

#### DISCUSSION AND CONCLUSIONS

In our opinion, the record establishes that operation of trains Nos. 3 and 4 by NP is the source of annual deficits of the magnitude of approximately \$300,000. The possible savings of such out-of-pocket expenses are based upon conservative estimates of the effect upon the carrier if the trains are discontinued. Considering the drain upon net system railway operations that its passenger service represents, the savings that would occur would serve to improve NP's overall financial posture. The record is clear that the subject trains are not patronized by passengers sufficiently to warrant their continued operation, and that the relief from the losses related thereto would serve the public convenience and necessity. This finding is underlined by the fact that mail revenues handled by the trains in 1965 and 1966 have accounted for more than 85 percent of the total revenues produced by these trains. Nevertheless, the Post Office Department has not voiced objection to removal of the trains. There is no doubt that the regular collection and delivery of mail within the affected areas will continue satisfactorily without these trains.

The proposed discontinuance of trains Nos. 3 and 4 would not result in the elimination of railroad passenger service between St. Paul and Jamestown and most of the principal intermediate stations. NP would continue to operate two pairs of trains between the points, and a competing railroad provides several schedules between St. Paul-Minneapolis and Fargo, with service at St. Cloud. While the times of arrival and departure of the other trains might be less convenient to the individuals who now travel on trains Nos. 3 and 4, applicable fares for the same type of

service would remain unchanged. In addition to railroad service, there is airline service between the principal points in question, and with few exceptions there are bus schedules that the public could utilize for the entire trip, or for travel to and from nearby railheads where train service would be available. The traveling public would not be unduly burdened by the withdrawal from service of the noticed trains.

The provisions of section 13a(1) reflect the intent of Congress to enable carriers to discontinue train services that no longer pay their way, and for which there is no longer sufficient public need to justify the financial loss involved. See *Southern Ry. Co. v. North Carolina*, 376 U.S. 93. Our decision must rest upon a balancing of the public need for continuation of service at the points served by trains Nos. 3 and 4 against the financial results reasonably expected to accrue from termination of that service. The evidence proves that only a few passengers use the trains each day. Only two users of the trains testified in opposition to the proposed discontinuance. Other witnesses were chiefly concerned with mail or express service, which would be continued by those responsible for that service. They also offered unconvincing conclusions as to the effect of the removal of the trains upon the communities along the line, and alleged undesirable consequences of losing one of three pairs of NP trains which provide passenger and incidental services. We find that trains Nos. 3 and 4 actually serve no vital public need at this time.

Consideration of the evidence of record convinces us that the balance lies in favor of permitting discontinuance of trains Nos. 3 and 4. Contentions of the parties as to fact or law which are not specifically discussed herein have been considered and found to be without material significance or merit.

We find that operation by the Northern Pacific Railway Company of its passenger trains Nos. 3 and 4 between St. Paul, Minn., and Jamestown, N. Dak., is not required by the public convenience and necessity, and that continued operation thereof would constitute an undue burden upon interstate commerce.

An appropriate order will be entered discontinuing the investigation herein.

APPENDIX A

Northern Pacific Railway

ST. PAUL, MINN.—JAMESTOWN, N. DAK. (EFFECTIVE JUNE 1, 1967)

West—read down			Miles	Main-line Table 1	Altitude	East—read up		
Departure train No. 3 daily except Saturday	Trains Nos. 47-1 Main Streeter daily	Train No. 25* North Coast Limited daily				Train No. 26 North Coast Limited daily	Trains Nos. 2-48 Main Streeter daily	Departure train No. 4 daily except Sunday
10:10 p.m.	8:40 a.m.	8:25 p.m.	0	Lv. St. Paul 7, 8 ----- Ar.	-----	6:40 a.m.	10:20 p.m.	2:55 a.m.
10:35	9:05	8:50	11	Ar. Minneapolis 7, 8, A - Lv.	-----	6:15	9:55	2:30
10:55	9:15	9:00	11	Lv. Minneapolis ----- Ar.	318	6:10	9:47	2:20
-----	-----	-----	29	Anoka -----	880	-----	-----	1:46
-----	m9:52	-----	40	Elk River -----	901	-----	g9:06	1:20
-----	-----	-----	49	Big Lake -----	937	-----	-----	1:06
-----	-----	-----	57	Becker -----	973	-----	-----	f12:54
-----	-----	-----	64	Clear Lake -----	993	-----	-----	12:45
12:25 a.m.	10:32	-----	76	St. Cloud 8 -----	1027	-----	8:28	12:27
-----	-----	-----	77	Sauk Rapids -----	1011	-----	-----	f12:14
-----	-----	-----	80	Sartell -----	1019	-----	-----	12:08
12:59	11:07	-----	107	Ar. Little Falls 7, 8 --- Lv.	1112	-----	7:43	11:32 p.m.
-----	-----	-----	118	Randall -----	1179	-----	-----	f10:51
-----	-----	-----	135	Philbrook -----	1248	-----	-----	f10:22
1:46	11:43	11:00	141	Staples 6, 8 -----	1277	3:46	7:03	10:12
2:06	11:53	11:05	141	Lv. Staples ----- Ar.	-----	3:42	6:56	10:02
-----	-----	-----	152	Verndale -----	1349	-----	-----	f9:43
2:35	12:14 p.m.	-----	159	Wadena 8 -----	1351	-----	6:31	9:33
-----	-----	-----	164	Bluffton -----	1327	-----	-----	f9:14
-----	-----	-----	172	New York Mills ---	1413	-----	-----	f9:06
-----	12:38	-----	182	Perham -----	1370	-----	6:01	8:54
3:45	1:01	-----	203	Detroit Lakes 8 ---	1804	-----	5:38	8:06
-----	-----	-----	210	Audubon -----	1312	-----	-----	f7:59
-----	-----	-----	216	Lake Park -----	1321	-----	-----	7:51

See footnotes at end of table.

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Northern Pacific Railway—Con.

ST. PAUL, MINN.—JAMESTOWN, N. DAK. (EFFECTIVE JUNE 1, 1967)

West—read down			Miles	Main-line Table 1	Altitude	East—read up		
Departure train No. 3 daily except Saturday	Trains Nos. 47-1 Main Streeter daily	Train No. 25* North Coast Limited daily				Train No. 26 North Coast Limited daily	Trains Nos. 2-48 Main Streeter daily	Departure train No. 4 daily except Sunday
-----	1:41 p.m.	-----	228	Ar. Hawley 8 ----- Lv.	1153	-----	5:07 p.m.	f7:37 a.m.
-----	-----	-----	242	Glyndon -----	924	-----	-----	f7:21
4:31 a.m.	2:11	-----	247	Dilworth -----	911	-----	4:42	7:15
-----	h2:18	-----	251	Moorhead, Minn ---	906	-----	h4:27	6:57
4:46	2:25	12:53 a.m.	252	Fargo, N. Dak 8 ---	905	1:40 a.m.	4:25	6:55
5:06	2:35	1:03	252	Lv. Fargo (R) A ----- Ar.	-----	1:35	4:15	6:35
f5:19	-----	-----	264	Mapleton -----	909	-----	-----	f6:04
5:30	12:53	-----	272	Casselton ----- Lv.	936	-----	h3:45	5:57
5:40	-----	-----	278	Wheatland -----	998	-----	-----	5:45
5:50	-----	-----	288	Buffalo -----	1200	-----	-----	5:35
5:57	-----	-----	294	Tower City -----	1175	-----	-----	5:27
6:05	-----	-----	299	Oriska -----	1272	-----	-----	5:21
6:31	3:36	f1:53	310	Ar. Valley City -----	1224	f12:36	3:10	5:10
6:41	3:36	f1:53	310	Lv. Valley City ----- Ar.	-----	f12:36	3:10	5:00
6:52	-----	-----	320	Sanborn -----	1447	-----	-----	f4:48
6:58	-----	-----	326	Eckelson -----	1467	-----	-----	f4:43
7:06	-----	-----	333	Spiritwood -----	1482	-----	-----	f4:36
7:36	4:22	3:32	344	Ar. Jamestown (R) ----- Lv.	1414	12:03	2:35	4:22

\* - Remains not carried on train No. 25.

f - Stops on flag.

g - Stops to discharge revenue passengers from Detroit Lakes and west.

h - Flag stop daily, but full stop Saturday, Sunday and holidays.

i - Stops for revenue passengers only, to or from Minneapolis and east or Billings and west where scheduled to stop.

m - Stops for revenue passengers from Minneapolis and east, or to Detroit lakes and west, at scheduled stops. Regular stop on Mondays.

A - Auto rental available at this point.

(R) - Station restaurant.

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## APPENDIX B

*Northern Pacific Railway*

OUT-OF-POCKET REVENUES AND EXPENSES TRAINS NOS. 3 AND 4  
1965 AND 1966

Item	1965	1966
<b>Revenues:</b>		
Passenger .....	\$48,530	\$39,971
Mail .....	541,232	510,684
Express .....	45,122	31,451
Milk and cream .....	2,063	1,239
Transportation of remains .....	518	771
Newspaper .....	154	122
Sleeping car .....	165	-----
Dining and buffet .....	35	-----
Total revenues .....	687,814	584,288
<b>Expenses:</b>		
Wages of enginemen .....	100,834	103,764
Wages of trainmen .....	115,365	108,569
Wages of joint train messenger-baggage men .....	42,211	37,421
Mail handlers—St. Paul .....	21,412	19,400
Payroll taxes, health and welfare benefits .....	46,426	46,743
Minnesota gross earnings tax .....	26,451	24,828
Injury claims .....	6,318	4,907
Repairs—diesel locomotives .....	73,962	55,355
Repairs—passenger cars .....	138,522	144,212
Depreciation of equipment .....	42,162	34,474
Rent for passenger-train cars .....	678	918
Train fuel .....	54,693	45,160
Lubricants for locomotives .....	6,502	5,142
Other supplies for locomotives .....	1,513	1,022
Enginehouse expenses .....	15,498	10,253
Train supplies and expenses .....	70,297	62,738
Operating sleeping cars (net) .....	1,969	435
Dining and buffet service .....	155	-----
St. Paul Union Depot .....	129,550	146,544
Minneapolis Depot .....	128,074	73,683
Total expenses .....	1,022,590	925,563
Net loss .....	334,776	341,275

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FINANCE DOCKET No. 23970<sup>1</sup>

## LOUISVILLE &amp; NASHVILLE RAILROAD COMPANY ABANDONMENT BETWEEN JACKSON AND SHELL PLANT, TENNESSEE

1. In Finance Docket No. 23970, certificate and order issued permitting abandonment by the Louisville and Nashville Railroad Company of a portion of its line of railroad between Jackson and Shell Plant, Tenn.
2. In Finance Docket No. 23969, acquisition by Louisville and Nashville Railroad Company of trackage rights over the line of Gulf, Mobile and Ohio Railroad Company between Jackson and Humboldt, Tenn., approved and authorized. Conditions prescribed.

*Joseph L. Lenihan, David M. Keeble, and Clifford T. Coomes* for applicant.

*Grant W. Smith, James L. Bomar, Jr., Troy W. Tomlin, Patrick Johnson, Sr., and Arthur J. Shea* for protestants.

## DECISION, CERTIFICATE AND ORDER

At a Session of the INTERSTATE COMMERCE COMMISSION, Division 3, Commissioners *Tuggle, Brown and Deason*, held at its office in Washington, D. C., on the 19th day of July 1967.

Upon consideration of the applications and the record in the above-entitled proceedings, including a report and recommended certificate and order of the hearing examiner served February 21, 1967, and the joint exceptions filed thereto by the Tennessee Public Service Commission, the towns of Somerville, Oakland, and Whiteville, and the counties of Fayette and Hardeman, Tenn., and the accompanying petition for oral argument and the reply to the exceptions and the petition filed by applicant.

*It appearing.* That the findings and conclusions of the hearing examiner with respect to all matters of fact and law considered and disposed of in his report are in all material respects proper and correct, and that the exceptions and the replies raise no new or material issues or matters of fact or law not adequately considered and properly disposed of by the hearing examiner in his report; and that the exceptions and replies are not of such a nature as to require the issuance by division 3 of a report discussing the evidence in light of such pleadings;

<sup>1</sup>This report also embraces Finance Docket No. 23969, Louisville & Nashville Railroad Company—Trackage Rights Between Jackson and Humboldt, Tennessee—Gulf, Mobile, and Ohio Railroad Co.