

FINANCE DOCKET No. 11159

LEHIGH VALLEY RAILROAD COMPANY ABANDONMENT

Submitted June 2, 1936. Decided June 16, 1936

Certificate issued permitting the abandonment by the Lehigh Valley Railroad Company of a branch line of railroad in Luzerne County, Pa.

R. W. Barrett and E. H. Burgess for applicant.

REPORT OF THE COMMISSION

DIVISION 4, COMMISSIONERS MEYER, PORTER, AND MAHAFFIE

BY DIVISION 4:

The Lehigh Valley Railroad Company, on April 8, 1936, applied for permission to abandon its so-called Bear Creek branch extending from the applicant's main line at Bear Creek Junction north-easterly to a point at or near Beaupland, 11.27 miles, all in Luzerne County, Pa. No representations have been made by any State authority, and no objection to the application has been offered.

The branch was constructed in 1880, principally to transport freight to and from a natural-ice plant located near Beaupland. It traverses a sparsely populated mountainous section. The population within an area of 2 miles on either side of the branch is approximately 348. The only village on the branch is Bear Creek, population estimated at 100, by highway 11 miles from Wilkes-Barre, Pa., and 7 miles from Oliver Mills, Pa., a station on the applicant's line. The only industry in the territory is the natural-ice plant.

Tons of freight moved on the branch in the years 1931-35 are shown, in order, as 20,233, 11,803, 16,724, 13,076, and 2,411. Of this traffic ice constituted 18,387, 11,234, 15,913, 5,324, and 2,356 tons, respectively. The 1934 tonnage includes 7,752 tons of nonrecurrent highway material. In 1935 the only traffic, other than ice, consisted of 39 tons of coal and 16 tons of less-than-carload freight. During the 5-year period there was no traffic local to the branch. It is stated that the decline in ice traffic is due to the general use of motor vehicles operating on the highways throughout the territory, and that there is no prospect of future increased rail traffic.

The applicant represents that the results of operating the branch in the years 1931-35 were, in order, railway operating revenues, all freight revenue, \$5,548, \$3,126, \$4,522, \$3,814, and \$546; railway operating expenses, \$6,267, \$4,034, \$5,122, \$4,955, and \$2,072; and 212 I. C. C.

net deficit, \$719, \$908, \$600, \$1,141, and \$1,526. Revenues are allocated on a mileage-prorate basis. Expenses for maintenance of way and structures and wages included in transportation expenses are actual, while the remainder of the operating expenses is allocated on mileage and other appropriate bases. As stated above, the cost of operating the branch in 1935 was \$2,072. The entire system gross revenue from the traffic handled on the branch in that year is represented as \$1,893.

It is alleged by the applicant that further maintenance and operation of the branch would result in a drain upon its resources without a corresponding benefit to the public.

The record indicates that there is insufficient available rail traffic to support the branch proposed to be abandoned, that its continued operation would impose an undue burden upon interstate commerce, and that its abandonment will not result in serious public inconvenience.

We find that the present and future public convenience and necessity permit the abandonment by the Lehigh Valley Railroad Company of the branch line of railroad in Luzerne County, Pa., described in the application. An appropriate certificate will be issued, effective from and after 30 days from its date, in which suitable provision will be made for the cancelation of tariffs.

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