

FINANCE DOCKET No. 19247<sup>1</sup>

## ERIE RAILROAD COMPANY FERRY ABANDONMENT

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*Decided June 26, 1957*

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Certificate issued permitting abandonment by the Erie Railroad Company of its passenger ferry line across the Hudson River between Jersey City, N. J., and Chambers Street, New York, N. Y., and abandonment of use under contract of the aforesaid ferry by the New York, Susquehanna & Western Railroad Company and the trustee of the New Jersey & New York Railroad Company. Conditions prescribed.

*M. C. Smith, Jr., Frederick G. Hoffmann, Thomas D. Caine, Rowland L. Davis, Jr., Leon Leighton, Andrew M. Calamari, and Richard Swann Buell* for applicants.

*Benedict W. Harrington, Henry B. Freefield, and Charles N. Gerard* for the State of New Jersey Board of Public Utilities Commissioners.

*Charles L. Hannelly, Joseph Harrison, Henry B. MacFarland, James N. McTighe, Edward G. Evertz, Irving C. Evers, LeRoy B. Huckin, Nicholas Martini, Nathan Bernstein, Jesse B. Leslie, Jr., Charles T. Lark, Jr., Francis Caminetti, John H. Shields, Marion Buzelle, Emil M. Wulster, George Winne, Robert H. Wall, Alexander E. Fasoli, and William C. Layton, Jr.,* for counties, townships, municipalities, and citizens' organizations in opposition.

*William G. Mahoney, James M. Davis, Jr., and Charles J. Sheridan, Jr.,* for railway labor organizations.

## REPORT OF THE COMMISSION

## BY THE COMMISSION:

Exceptions to the report proposed by the examiner were filed by protestants, and oral argument has been heard.

By application filed February 10, 1956, the Erie Railroad Company requested permission to abandon its passenger ferry line across the Hudson River between Jersey City, N. J., and Chambers Street in the Borough of Manhattan, city and county of New York, N. Y., Finance Docket No. 19247. By applications filed May 7, 1956, and May 21, 1946, the New York, Susquehanna and Western Railroad Company and the trustee of The New Jersey and New York Railroad Company, respectively, requested permission to abandon their respec-

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<sup>1</sup> This report also embraces Finance Docket No. 19351, New York, Susquehanna & Western Railroad Company Abandonment of Ferry Use and Finance Docket No. 19374, New Jersey & New York Railroad Company, Trustee, Abandonment of Ferry Use.

tive contractual use of the ferry line of the Erie Railroad Company, Finance Dockets Nos. 19351 and 19374. The applicants, in the order named, are sometimes referred to herein as the Erie, the Susquehanna, and the Jersey. Other carriers whose names are prominently mentioned herein are The Delaware, Lackawanna and Western Railroad Company and The Pennsylvania Railroad Company, referred to as the Lackawanna and the Pennsylvania, respectively. As used hereinafter, "New York" connotes the downtown and midtown areas of Manhattan. Protests were presented by individual users of the trains, who, under the proposals being considered, would continue to use the Jersey City terminal after a form of coordinated service, described hereinafter, is instituted. The New Jersey Board of Public Utility Commissioners, the county of Passaic, and several boroughs and communities in New Jersey appeared in opposition. Several organizations of commuters were represented in opposition to portions of the plan, and various organizations of employees of the applicants appeared for limited purposes. As shown hereinbelow, hearings were held. Pursuant to petitions filed by the Erie on November 13, 1956, and April 22, 1957, to which no replies were filed, we heard oral argument, and the proceedings were submitted for our consideration and initial decision.

The application in Finance Docket No. 19247, so far as it involves the Erie's terminal facilities at Jersey City, is related to an application filed by the Erie on December 20, 1955, and by amendment joined in as party-applicant by the Lackawanna, Finance Docket No. 19182, and an application filed March 12, 1956, by the Jersey, Finance Docket No. 19288. Together, the three applications constitute a plan to coordinate the passenger-terminal facilities of the Erie and the Lackawanna on the New Jersey side of the Hudson River. The plan contemplated certain construction of connecting lines and granting and acquiring of trackage rights by the applicants. When fully operative, most of the Erie's and all of the Jersey's passenger trains which theretofore had operated to the Erie's Jersey City terminal and station would be diverted to the Lackawanna's facilities at Hoboken, and the ferry service of the latter between Hoboken and Barclay Street in New York would be used to accommodate the passengers of both carriers. In effecting the changeover, the present fares and charges paid by the Erie and the Jersey passengers will be maintained. Protests were received, and the applications were heard April 23-26, 1956, on a consolidated record.

By order of June 1, 1956, division 4 reopened and assigned the proceeding in Finance Docket No. 19247 for further hearing, and ordered heard therewith the applications of the Susquehanna and the Jersey, Finance Dockets Nos. 19351 and 19374. A consolidated and further

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hearing was held July 23 and 24, 1956. Pursuant to a petition filed by the Erie and the Lackawanna, the division, on August 27, 1956, entered its report, certificate, and order approving and authorizing the trackage rights and construction projects described in Finance Dockets Nos. 19182 and 19288, *Erie R. Co. Trackage Rights*, 295 I. C. C. 303. The necessary construction has been completed, and with the exception of three branch-line trains in each direction on week-days, all Erie passenger trains presently operate to and from the Lackawanna terminal. The Erie's ferry continues to operate to and from Jersey City on a reduced schedule.

The need for the Susquehanna and the Jersey to file applications to abandon their respective contractual use of the Erie's ferry was questioned on the grounds that the Erie's application would be construed as embracing the applications of the other carriers to abandon use of the ferry service. Both later applications were filed with the reservation that they be dismissed if not required. The Susquehanna and the Jersey, among other things, showed that their financial conditions would not permit them to institute and operate ferry service. On brief, counsel for the Jersey cites the United States Supreme Court in *Thompson v. Texas Mexican Ry. Co.*, 328 U. S. 134, as determining that an application to abandon a line of railroad may be filed by any party in interest, and on that basis contended that the Susquehanna and the Jersey need not have filed individual applications to abandon use of the Erie's ferry. Of course, the Erie had a right to request authorization for the Susquehanna and the Jersey to abandon their use of the Erie's ferry but did not do so. Therefore, when the public was notified that the Erie desired to abandon its Jersey City-Chambers Street ferry, as required in our regulations pertaining to applications for permission to abandon lines of railroad and operation thereof,<sup>2</sup> no reference was made to the position of the Susquehanna and the Jersey as to abandonment of the use of the ferry. The subsequent filing of the applications by the user carriers, and compliance with the applicable regulations and procedures, served to rectify the lack of notice to the public and presented a method of lawfully considering the proposed abandonment of the ferry use.

The Erie's passenger terminal, station, and other facilities at Jersey City are used for the handling of trains having passengers arriving at or departing from New York via ferry. Such facilities served the Erie's main-line trains, those of the Jersey and the Susquehanna under trackage rights, and the Erie's Greenwood Lake, Weehawken, and Northern branch lines, each of which provides commuter service between New York and suburban points in northern

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<sup>2</sup> Order of division 4, dated November 27, 1941, Budget Bureau No. 60-RO41-42. 295 I. C. C.

New Jersey and Rockland County, N. Y. In New York, the Erie's terminal at Chambers Street is about 1,000 feet, or 4 city blocks, north of the Lackawanna's Barclay Street terminal. On the New Jersey side of the river, the Erie's terminal is about 3,000 feet south of the Lackawanna's Hoboken terminal.

Passenger trains traveling inland from the Jersey City terminal traverse the so-called Bergen Archways, which is an open cut with 4 passenger tracks about 0.75 mile in length, over which there are a series of road crossings. Immediately east of the archways, the Erie's Weehawken branch to the north connects with the tracks reaching Jersey City. Almost immediately west of the archways, and east of Croxton where the Erie has interchange-yard facilities, the main-line tracks of the Erie cross those of the Lackawanna leading to the Hoboken terminal. At Croxton, the Erie's Northern branch diverges almost due north; other lines extend westward about 1,000 feet where the main line of the Erie, over which the Jersey's trains also operate, diverges slightly westerly of north, and the Greenwood Lake branch parallels the Erie's nearby main line about 2,000 feet, then proceeds almost due west. From the point of crossing near Croxton, the Lackawanna's tracks (leading away from Hoboken) extend northwesterly about 1,000 feet from which point its Boonton branch goes almost northwesterly (between the Erie's main line and Greenwood Lake branch), and its Morris and Essex branch continues almost due west. Eastwardly from the Croxton crossing, the Lackawanna's tracks enter a tunnel, the westerly end of which is at an elevation approximately 21 feet above the westerly end of the Bergen Archways, and the easterly end of which is about 2,000 feet northeasterly of the east end of the archways, thence the tracks proceed to the Hoboken terminal. The Erie's Weehawken branch crosses the Lackawanna's tracks near the easterly end of the latter's tunnel.

In addition to the Erie and the Jersey passenger trains moving to and from the main and branch lines described hereinabove, the Jersey City terminal and station facilities and the Erie's ferry accommodate passengers of the trains of the Susquehanna. The latter's passenger lines extend from a connection with the Erie's Northern branch tracks about 2,000 feet north of Croxton to Butler, N. J., northwardly and westwardly about 36.9 miles from Jersey City. South of the Susquehanna-Erie connection, a freight line of the Susquehanna connects with a line of the Pennsylvania, which, in turn, continues generally south by a viaduct which crosses the Erie's tracks to Marion Junction, N. J., on the Pennsylvania's main line. The connection is used solely for the interchange of freight traffic between the Susquehanna and the Pennsylvania.

By the report and order in Finance Dockets Nos. 19182 and 19288, mentioned previously herein, the Erie and the Lackawanna were authorized to construct 3 lines of railroad connecting their respective tracks, and the Erie and the Jersey were authorized to acquire trackage rights over the present and new trackage of the Lackawanna and the Erie, including joint use of the Lackawanna's Hoboken terminal and station, its ferry service across the Hudson River, and the ferry station in New York at Barclay Street. Since completion of the construction, the Erie's main line and its Greenwood Lake branch connect directly with the Lackawanna's tracks to the terminal at Hoboken. However, because of the location of certain bridges and other facilities, it is not practical from an engineering viewpoint to construct a direct connection between the Lackawanna's line and the Susquehanna-Northern branch line.

Under the coordination plan as partially implemented, the trains of Susquehanna and the Northern branch continue to be operated into and out of the Jersey City station. Sufficient tracks, platforms, public convenience facilities, and incidental services are provided at the Erie's terminal to accommodate all passengers of the trains that presently, and in the future will continue to, utilize that terminal. To do otherwise would require an arrangement whereby the Susquehanna and the Northern branch trains to Hoboken would be routed over the Erie trackage presently used by those trains to a point east of Croxton, backing onto the Erie's main line about 1.2 miles in opposition to the predominant flow of traffic, to the new connection with the Lackawanna's Boonton branch near the Erie's milepost 3.17, thence proceeding to the Hoboken terminal. A corresponding backup against the flow of traffic would be involved in the reverse direction. That route would avoid the continuance of operations into the Erie terminal and would take advantage of the most favorable conditions as to grade crossings, switches, and connections, and involve passenger trackage only.

On the basis of test runs over existing trackage best suited to simulate the backup required to reach the Lackawanna tracks and terminal, the Erie's engineers estimate that the required shuffling of the Susquehanna and the Northern branch trains would require the addition of 10 minutes to the present eastbound schedules and 8 minutes' extra time westbound. The estimate reflects the additional time needed to complete the run plus an allowance of about 2 minutes to avoid undue interference with the operation of the other Erie trains and those of the Jersey and the Lackawanna, the proposed schedules of which also might require adjusting if the backup move is instituted.

As a consequence of the coordination, the contract between the Erie and the Susquehanna, under which the latter's railroad passengers use

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the Erie's ferry service, will be adjusted to reflect a reduction in rental payments for the facilities and services which the Erie furnishes. Inasmuch as the present agreement does not allocate specific charges for the separate rights involved, the amount of any reduction of the contract rate will be a matter of negotiation between the parties. If and when the present terms and conditions are altered, the parties must decide whether to file an appropriate application for our approval.

Counsel for a railway labor organization, with the concurrence of counsel representing the New Jersey commission and organizations of commuters presently using the Susquehanna and the Northern branch trains, attempted to develop as feasible other connecting routes which would deliver the trains of those carriers into the Hoboken terminal, or, in lieu thereof, into a Pennsylvania passenger terminal near Marion Junction. Each of these suggested routes would be inherently cumbersome, more time consuming, and impracticable as one or more of the following requirements would be involved: Use of freight trackage for passenger trains; use of a single-track tunnel having restricted speed limits; crossing an important street at grade at a point where all trains are required to stop before proceeding; connection of tracks of different elevations in a manner that would not be conducive to safe and comfortable operations; or the use of trackage, viaduct, and terminal facilities of the Pennsylvania even though there is no intimation that the right would be granted at a reasonable charge. In each case, service to the public over the suggested route would be poorer than could be provided over the route first described hereinabove.

During the years 1953, 1954, and the first 9 months of 1955, in order, operation of the ferry resulted in net annual deficits of \$1,247,652, \$1,000,912, and \$721,433.

The Erie estimates that of the \$3,254,588 decrease in annual operating losses<sup>3</sup> related to its New Jersey-New York passenger business, which can be realized under the coordination plan as contemplated by the Erie and the Lackawanna, a total of \$1,083,088 would pertain directly to the proposal to abandon the Chambers Street ferry. The resulting savings in labor costs, materials, and supplies are shown as follows (cents omitted): Wages of station employees engaged in operation of the ferries \$91,323, station supplies and expenses \$1,797, police department \$13,181, ferryboat operation \$648,192, ferryboat maintenance \$201,200, Chambers Street ferryhouse rental \$59,961, and building and structure maintenance at Jersey City where ferry facilities would be eliminated \$67,433. The foregoing totals are based upon the assumption that Northern branch and the Susquehanna

<sup>3</sup> Details explained in *Erie R. Co. Trackage Rights*, *supra*, decided August 27, 1956.

trains would continue to use the Jersey City terminal. Even if downward adjustments of some of the items would be reasonable, the total economies to be realized as a result of the ferry service being abandoned would be approximately \$1 million a year.

The ferry facilities at Jersey City consist of 3 ferry bridges and 3 slips, and a passageway connecting with the street. The Chambers Street station, which is rented from the city of New York, has 2 ferry slips and a connecting bridge used for tying the vessels and handling the passengers and vehicles. The Erie uses 3 ferry vessels in its scheduled service and has another in standby service. Of the ferryboats now being used, the *Arlington* and the *Jamestown* were built in 1905 and 1908, respectively, the *Youngstown* was built in 1922, and the *Meadville* in 1936. Their carrying capacity ranges from 2,033 to 2,203 passengers when no vehicles are carried, from 1,577 to 1,729 passengers when vehicles also are on board. They can accommodate from 20 to 26 passenger vehicles or from 15 to 18 passenger cars and trucks. Each is powered with steam engines ranging from 1,200 to 1,500 horsepower. The annual cost of ordinary maintenance of the ferryboats is about \$50,000 each. In addition, the *Arlington* and the *Jamestown* will need hull and steel-plate work at a cost of \$20,000 each, and their boilers will require renewal, within 2 to 5 years, at a cost of \$102,000 each. Upon discontinuance of the ferry service by the Erie, the *Meadville* and the *Youngstown* will be sold to the Lackawanna at their salvage value of \$37,250 and \$18,650 respectively. The others will be tied up. Based on a sale made in 1954, the salvage value of the ferries is estimated to be about \$18,000, and the cost of recovering the scrap about \$6,000.

Physically, the facilities of the Lackawanna's railroad and ferry terminal and stations are larger, more complete and convenient, more modern, and in better repair than the Erie's. The record shows that they have ample capacity to handle additional trains, ferryboats, and passengers. The Lackawanna's ferry vessels and handling facilities are such that the main deck and the upper deck are loaded and unloaded at the same time from separate levels. The Hoboken ferry station has 6 ferry bridges and 6 slips, 2 of which are used only for the mooring of ferryboats, 1 for emergency service, and 3 for the regular morning and evening commuter rush periods. The ferryboat fleet of the Lackawanna consists of 4 vessels used in regular service and 1 in standby service. Four of the vessels, built in 1905 and 1906, are powered by steam engines, and the other, rebuilt in 1949, has been converted to diesel-electric power. The vessels carry from 1,875 to 1,957 passengers with no vehicles aboard, and generally are similar to the Erie's vessels. The ferryboat facilities of the Lackawanna are able simultaneously to unload the arriving passengers and load for the

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outbound trip, completing the operation within 3 or 4 minutes. On reviewing the record and considering the recent experience in handling the combined passenger load of the Lackawanna, the Erie, and the Jersey trains, we find that the Hoboken terminal facilities, the ferry terminal at Barclay Street, and the ferryboats which are operated by the Lackawanna are adequate to handle all the trains and passengers involved in the coordination herein.

In connection with the proposed ferry schedule, an experienced ferryboat captain employed by the Erie related that on trips during the heaviest part of the commuter rush hours, the Erie's vessels sometimes are filled to capacity and some persons are required to wait for the next ferryboat; and that ferryboat users generally refrain from riding the ferries during cold and inclement weather. The captain expressed an opinion that, if the ferryboat schedules of the Erie and the Lackawanna were consolidated, despite the elimination of many trips by the Erie's boats, conditions of navigational hazards and impaired safety would result. The examiner sustained objections against this testimony as involving regulations of matters not included in the Interstate Commerce Act. The ruling of the examiner is sustained.

Adjacent to and connecting with the stations and terminals at Jersey City and Hoboken are train facilities of the Hudson & Manhattan Railroad Company, referred to hereinafter as the Hudson. This railroad operates electric trains to New York through a tube over a downtown route to the Hudson Terminal, about 3 blocks south of Barclay Street, and a second tube which terminates at a station adjacent to the Pennsylvania's 33d Street station, and several stations between downtown and 33d Street. The Hudson's terminals and stations are below ground and are reached by stairways. Insofar as the Hudson presently transports railroad passengers of the applicants to and from Hudson Terminal, its trains from Hoboken travel 0.88 mile in a southerly direction to the Erie's station, 0.83 mile to the Exchange Place station of the Pennsylvania (in Jersey City), thence 1.25 miles through the tube, a total distance of 2.96 miles, operating on 10-minute schedules. Approximately midway between the Hudson's Hoboken and Erie terminal stations, the second tube route diverges eastward as a "wye" and crosses under the river. From Hoboken the distance to 33d Street is 3.5 miles, generally traversed in 14 minutes, and from the Erie station to 33d Street the distance is 3.4 miles, traversed in 13 minutes. The prevailing fares on the Hudson's trains are 20 cents each way across the river and 10 cents between certain stations within New Jersey, including stations in or near Jersey City west of Exchange Place.

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In addition to the ferry service to New York by the Erie and the Lackawanna and the tube-train service of the Hudson, train passengers at the Lackawanna's station may choose to use bus service presently provided by a public carrier which has a line that terminates outside the Hoboken station. At a station in North Bergen, N. J., known as Susquehanna Transfer, about 5 miles north of Jersey City, passengers of Susquehanna trains and some Northern branch trains are able to connect with a direct busline to the Port Authority Bus Terminal in midtown New York. Since 1939, the service has been provided exclusively for railroad passengers under a contract between the Susquehanna and the bus company. The scheduled time for the bus trip is 13 minutes, but, because of a temporary condition of congestion at the Lincoln Tunnel, it is conceded that the trips require somewhat longer periods. In addition to the railroad fare, passengers using buses at Susquehanna Transfer pay an additional fare of 20 cents in each direction. The average daily number of the Susquehanna's train passengers who used the Susquehanna bus-transfer service during the week January 17-21, 1955, was 431 eastbound and 429 westbound, and during the week June 25-29, 1956, was 381 eastbound and 424 westbound. The bus company has equipment available to furnish additional schedules to accommodate any new passengers desiring to use the bus connection, in the event the ferry service of the Erie is discontinued.

Prior to the changeover in the Erie's service under the coordination plan, the number of trains of the main line and branch lines of the Erie, including the Northern branch, the Jersey, and the Susquehanna, and the total number of passengers arriving at and departing from the Jersey City station, based on actual counts made during the weekdays of January 18-24, 1956, averaged 81 daily trains eastbound with 19,304 passengers, and 81 trains westbound with 18,507 passengers. Of those, there were 11 Susquehanna and Northern branch trains in each direction which handled 2,430 passengers eastbound and 2,178 passengers westbound. Corresponding totals on Saturday, January 21, show 38 trains into Jersey City eastbound with 2,920 passengers and 40 trains westbound with 2,984 passengers, of which there were 4 Northern branch and Susquehanna trains with 108 passengers eastbound and 3 trains with 50 passengers westbound. On Sunday, January 22, 1956, there were 21 Erie and Jersey trains with 2,156 passengers eastbound and 22 trains with 1,597 passengers westbound. There were no Sunday trains of the Northern branch or the Susquehanna.

Counts made on the same dates show that the ferry trips, most of which meet the trains at Jersey City, operated 66 daily schedules eastbound with a total passenger load of 9,580, and 68 trips westbound

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with 8,154 passengers. The total trips on the Saturday were 33 eastbound with 1,120 passengers, and 34 westbound with 1,113 passengers. The Sunday totals were 23 trips with 799 passengers eastbound, and 23 trips with 682 passengers westbound. On holidays, 28 eastbound and 29 westbound trips are operated. The ferry passenger totals include persons who use trains of the Erie, the Jersey, and the Susquehanna, plus an average of 34 eastbound and 73 westbound passengers each weekday who do not ride trains before or after the ferry trip. The number of passengers (including railroad and local or nonrailroad passengers) on the Chambers Street ferry annually decreased from more than 15.2 million in 1930 to 5.8 million in 1955. Between 1939 and 1955 the largest number of passengers in any year was 6.8 million (1950), and the least was 5.0 million (1940), while between 1931 and 1938 the total passengers decreased from 14.0 million to 8.9 million. The number of vehicles ferried by the Erie to and from Chambers Street in a year (stated in millions) varied from 0.2 in 1930 to 0.7 in 1933; from 1.0 in 1934 to 1.2 in 1941; from 1.0 in 1942 to 0.5 in 1952; and from 0.3 in 1953 to 0.2 in 1955.

The foregoing statements presented by the Erie's witnesses regarding the trains and passengers of the Susquehanna, who would not be able to use the Lackawanna's terminal under the coordination plan, are slightly higher than the totals presented by the Susquehanna's witnesses who conducted actual passenger counts during the weeks beginning Monday, January 17, 1955, and Monday, June 25, 1956. The Susquehanna also showed that of the passengers on its trains having the greatest number of commuters (using as a sample 3 trains in each direction on Wednesday, February 15, 1956, and 2 trains in each direction the following Wednesday, and combining the totals) 801 of 1,325 passengers eastbound, or 60.4 percent, and 711 of 1,117 passengers westbound, or 63.6 percent, also used the Erie's ferry to and from New York. So far as the witnesses could determine, the remaining Susquehanna passengers used the Hudson's tube trains beyond Jersey City.

The tracks and platforms of the railroad trains at the Erie's Jersey City terminal and those of the adjacent station of the Hudson are at different elevations. They are connected by several concourses and a passageway which extends an overall distance of about 1,000 feet. The shortest walking distance between the 2 sets of tracks is about 600 feet. At least 2 flights of stairs are between the level of the Erie tracks and the Hudson tracks. As part of a ramp at one of the concourses, the Hudson owns and operates a moving-sidewalk device which carries persons upgrade for a distance of about 275 feet. The estimated average walking time from the Erie facilities to the Hudson trackage is about 6 minutes. In service, the Hudson operated 191 passenger cars, 75 of which were built in 1921, and the others in 1908,

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1910, and 1917. At present there are 30 cars available to add to the rush-hour trains, if needed. There are seats for 44 persons on each car; but with standees the cars accommodate 140 passengers. The present average number of passengers in the Hudson's cars is between 90 and 100 each.

Hudson publishes no timetables, but operates according to a "running schedule" which indicates times of arriving and departing from each terminal and station. Under the Monday-through-Friday schedules as of the date of the hearing, 16 trains leave the Hoboken station, stop at the Erie station, and terminate at Hudson Terminal between 8:04 a. m. and 9:18 a. m., and 19 trains leave Hudson Terminal, stop at the Erie station, and terminate at the Hoboken station between 5:03 p. m. and 6:29 p. m. Over its other route are operated 18 trains which originate at Journal Square, stop at the Erie station, and terminate at 33d Street between 8:06 a. m. and 9:16 a. m., and 21 schedules operate in the reverse direction and arrive at Journal Square between 5:06 p. m. and 6:32 p. m. In addition, 16 trains during the morning rush hours and 22 trains in the evening rush hours operate between the Hoboken station and 33d Street. During rush hours 6-car trains are operated, and between most trains 4-minute headways are maintained. During other hours of the day headways vary from 4 to 15 minutes. On normal weekdays Hudson's trains average about 2,114 passengers from the Hoboken station and about 3,121 passengers from the Erie station to Hudson terminal during the morning rush period, and 4,560 passengers from the Hoboken station and 2,606 passengers from the Erie station to 33d Street.

Studies of the capacity of the Hudson's station and train facilities show that every passenger now using the Hudson's trains from and to the Erie station could readily be handled at the Hudson's Hoboken station along with the passengers now regularly using that station. This can be achieved with little or no extra delay or inconvenience. However, if it is found to be necessary, the Hudson plans to alter the layout of its terminal concourses, track platforms, and pay turnstiles to accommodate a heavier flow of traffic. Additional passenger capacity, if needed, can be supplied by adding 1 car to each of its 6-car trains, or, as an alternative, by reducing the present minimum headway from 4 minutes to 3 minutes. As evidence that the Hudson's physical plant is adequate to handle considerable additional traffic, an official of the company asserted that in 1927 the Hudson handled about 35 million Erie and Susquehanna passengers beyond their respective terminals, compared to about 3 million passengers annually who presently use also the trains of the Erie, the Jersey, and the Susquehanna.

Individually, and through organizations created for that purpose, passengers of the Northern branch and the Susquehanna trains oppose

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the loss of ferry service at Jersey City, which would leave the Hudson tube-train service as the only means of traveling between the Jersey City terminal and New York. The governing bodies and civic groups of county and municipal organizations support this position. Generally, the contentions are that ferry service is preferred because it is less congested, more comfortable, quieter, and less costly than the Hudson's service. Some individuals point to the greater convenience of the ferry for persons physically unable to engage in lengthy walks and climbing many stairs. Those persons desire the "ground level" ferry service to continue as a means of commuting without being subjected to congestion which, they state, characterizes available bus service as well as the tube trains. Many protestants desire to continue the use of the Chambers Street station in New York in order to avoid having to travel greater distances within New York before and after crossing the river. Despite these sentiments, and charges that neither the tube-train schedules nor bus schedules are reliably maintained, the protestants concede that those services and other public and private means of trans-Hudson River travel are used regularly by numerous persons.

A real-estate broker at Maywood, 15 miles north of Jersey City on the Susquehanna line, advertises the convenience of the Susquehanna's railroad service for commutation to New York. He predicts that the loss of ferry service would impair the sale of real estate in Maywood and adversely affect property values. Nevertheless, if the ferry is abandoned, he will continue to advertise that Maywood has convenient commuter service available. Evidence of record indicates that use of the ferry does not necessarily involve less time than other methods of commutation. That conception is supported only by persons who would use bus service to and from New York and require supplemental public transportation to reach the area near the ferry terminal. In view of the Hudson's service being available at Jersey City where the Susquehanna's trains will continue to terminate, and at Hudson Terminal which is reasonably close to Chambers Street, the proposition of undue delays is not tenable. In fact, the time involved in using the train-ferry service can be reduced in many instances.

The Erie and the Railway Labor Executives' Association (on behalf of its affiliated organizations including the Brotherhood of Railroad Trainmen), by a stipulation dated May 24, 1956, agreed that each would accept the imposition of conditions for the protection of employees affected by the coordination proposals. The stipulation specifies conditions the same as those prescribed in *New Orleans Union Passenger Terminal Case*, 282 I. C. C. 271. The record shows that a total of 505 positions of all classes, including personnel engaged in operation of the ferries, will be eliminated when the coordination is

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fully consummated. Conditions the same as those indicated in the stipulation will be imposed for the protection of any railway employee adversely affected because of the changes proposed in the proceedings under consideration, including the previously authorized construction and trackage-rights proposals.

Determination of the issues herein is on the basis of simple uncontroverted facts, briefly summarized as follows: Daily totals of 140 trains and approximately 33,203 persons (counting each one-way rider as a separate person) who ride the Erie's and the Jersey's trains and the Erie's ferry will not be affected by the proposals under consideration, and no objection has been presented on their behalf. A total of 22 Northern branch and Susquehanna trains and about 4,608 persons, who also ride the Erie's ferries, will be deprived of the present ferry service, but those persons have available the tube-train service of the Hudson and bus service to and from New York by making connection at Susquehanna Transfer. The facilities of the Hudson and the bus operator can be augmented without difficulty to provide adequate service for all persons possibly affected by the proposed ferry abandonment. The commuters who are required to change their present riding methods face increased costs of about \$7 per month. On the other hand, the abandonment of the ferries and their use by the Susquehanna and the Jersey will permit the Erie to realize annual savings of about \$1 million. In addition to the savings to the Erie, the Lackawanna also will benefit by being able to reduce its present passenger-operation out-of-pocket losses.

During the course of the hearings and argument herein, the protestants contended that their opposition was justified in terms of public convenience and necessity. They cited various elements of hardship upon the users of the applicants' services if the ferry is abandoned. The more basic of these contentions have been discussed hereinabove in light of other facts bearing upon particular issues. In part, other arguments concern the relative freedom from congestion afforded by the ferries which seldom are filled to capacity; greater distances necessary to travel to reach the stations of other railroads and bus lines on the New Jersey end of the trip, and in New York if service is discontinued at Chambers Street; the effect of overcrowded streets, highways, and motor-vehicle tunnels and bridges upon bus-carrier operations; need for the ferries for civil defense purposes in the event of enemy attack or disaster; decrease in the value of homes of residents required to use less favorable substitute commuter service; loss of time in connection with Hudson or bus service; failure of applicants to induce more patronage by advertising and making modern facilities available; and the fact that general system opera-

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tions of the Erie have produced profits and regular dividend payments to stockholders regardless of the out-of-pocket losses attributable to the ferry operation. Similar contentions, separately and in combination, have been discussed and considered in practically every previous proceeding involving railroad ferry abandonments and in each instance were held not to be of controlling importance. See *New York Central R. Co. Ferry Abandonment*, 295 I. C. C. 385, affirmed, 295 I. C. C. 519, and cases cited therein. Because none of the passengers now using the Erie's ferry service would be left without adequate river-crossing service under the foregoing proposals, the factors relating to hardships upon the ferry riders, in our opinion, are of insufficient merit to control the decision herein.

Contentions and requested findings presented by the protestants at hearing, on exceptions, and at oral argument, which are not discussed herein and are not reflected in our conclusions, have been given consideration and found without material significance, or otherwise not justified.

Subject to the imposition of the conditions mentioned to protect carrier employees, we find that the present and future public convenience and necessity permit abandonment by the Erie Railroad Company of its passenger ferry line across the Hudson River between Jersey City, N. J., and Chambers Street, New York, N. Y., and abandonment of use under contract of the aforesaid ferry by the New York, Susquehanna and Western Railroad Company, and the trustee of The New Jersey and New York Railroad Company, described hereinabove. An appropriate certificate will be issued, effective from and after 50 days from its date, in which suitable provision will be made for the cancellation of tariffs, the submission of journal entries, and compliance with valuation order No. 24.

COMMISSIONERS HUTCHINSON and McPHERSON did not participate in the disposition of this proceeding.

COMMISSIONER WALRATH, being necessarily absent, did not participate in the disposition of this proceeding.

295 I. C. C.