

tion.²⁰⁶ Likewise, requiring a railway to continue the service of a branch or part of a line is acceptable, even if that portion of the operation is an economic drain.²⁰⁷ A company, however, cannot be compelled to operate its franchise at a loss, but must be at liberty to surrender it and discontinue operations.²⁰⁸

As the standard for regulation of a utility is whether a particular directive is reasonable, the question of whether a state order requiring the provision of services is reasonable could include a consideration of the likelihood of pecuniary loss, the nature, extent and productiveness of the carrier's intrastate business, the character of the service required, the public need for it, and its effect upon service already being rendered.²⁰⁹ An example of the kind of regulation where the issue of reasonableness would require an evaluation of numerous practical and economic factors is one that requires railroads to lay tracks and otherwise provide the required equipment to facilitate the connection of separate track lines.²¹⁰

²⁰⁶ *United Gas Co. v. Railroad Comm'n*, 278 U.S. 300, 308–09 (1929). *See also* *New York ex rel. Woodhaven Gas Light Co. v. Public Serv. Comm'n*, 269 U.S. 244 (1925); *New York & Queens Gas Co. v. McCall*, 245 U.S. 345 (1917).

²⁰⁷ *Missouri Pacific Ry. v. Kansas*, 216 U.S. 262 (1910); *Chesapeake & Ohio Ry. v. Public Serv. Comm'n*, 242 U.S. 603 (1917); *Fort Smith Traction Co. v. Bourland*, 267 U.S. 330 (1925).

²⁰⁸ *Chesapeake & Ohio Ry. v. Public Serv. Comm'n*, 242 U.S. 603, 607 (1917); *Brooks-Scanlon Co. v. Railroad Comm'n*, 251 U.S. 396 (1920); *Railroad Comm'n v. Eastern Tex. R.R.*, 264 U.S. 79 (1924); *Broad River Co. v. South Carolina ex rel. Daniel*, 281 U.S. 537 (1930).

²⁰⁹ *Chesapeake & Ohio Ry. v. Public Serv. Comm'n*, 242 U.S. 603, 607 (1917).

²¹⁰ "Since the decision in *Wisconsin, M. & P.R. Co. v. Jacobson*, 179 U.S. 287 (1900), there can be no doubt of the power of a state, acting through an administrative body, to require railroad companies to make track connections. But manifestly that does not mean that a Commission may compel them to build branch lines, so as to connect roads lying at a distance from each other; nor does it mean that they may be required to make connections at every point where their tracks come close together in city, town and country, regardless of the amount of business to be done, or the number of persons who may use the connection if built. The question in each case must be determined in the light of all the facts and with a just regard to the advantage to be derived by the public and the expense to be incurred by the carrier. . . . If the order involves the use of property needed in the discharge of those duties which the carrier is bound to perform, then, upon proof of the necessity, the order will be granted, even though 'the furnishing of such necessary facilities may occasion an incidental pecuniary loss.' . . . Where, however, the proceeding is brought to compel a carrier to furnish a facility not included within its absolute duties, the question of expense is of more controlling importance. In determining the reasonableness of such an order the Court must consider all the facts—the places and persons interested, the volume of business to be affected, the saving in time and expense to the shipper, as against the cost and loss to the carrier." *Washington ex rel. Oregon R.R. & Nav. Co. v. Fairchild*, 224 U.S. 510, 528–29 (1912). *See also* *Michigan Cent. R.R. v. Michigan R.R. Comm'n*, 236 U.S. 615 (1915); *Seaboard Air Line R.R. v. Georgia R.R. Comm'n*, 240 U.S. 324, 327 (1916).