

Decision No. 24572.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of Application of the
SOUTHERN PACIFIC COMPANY for authority
to close the agency at Keyes Station,
County of Stanislaus, State of California,
during the period December 1st to June 30th,
inclusive, of each year.

) Application No. 17839

In the Matter of the Application of the
RAILWAY EXPRESS AGENCY, INC., for authority
to abandon its agency at Keyes, County of
Stanislaus, State of California.

) Application No. 17860.

E. W. Hobbs, for Southern Pacific Company,
A. S. Weston, for Railway Express Agency, Inc.,
Dennett and Zion, for Protestants.

BY THE COMMISSION:

O P I N I O N

In Application No. 17839 Southern Pacific Company, a corporation, has petitioned the Commission for authority to close its agency at Keyes Station in Stanislaus County, during a seven months' period beginning December 1st of each year and ending the following 30th day of June.

In Application No. 17860 Railway Express Agency, Inc., a corporation, has requested the Commission's authority to abandon its agency at Keyes in Stanislaus County.

A public hearing on the above entitled applications was conducted by Examiner Johnson at Ceres, on February 23, 1932.

By stipulation of the interested parties the matters were consolidated for the receipt of evidence and decision and were duly submitted and are now ready for decision.

The Railway Express Agency requested authority to modify its application to the effect that its request for abandonment of Agency would be restricted to cover the same period as that.

included in the Railroad's application, i.e., December 1st to and including June 30th. This request was granted.

Keyes is located on the main line of the Southern Pacific Company's Western Division. The nearest existing agency stations to Keyes are Ceres, 3.4 miles to the north, and Turlock, 5.4 miles to the south. The population is estimated to be approximately 150 permanent residents. It is surrounded by an agricultural district devoted largely to the raising of alfalfa, beans, melons and sweet potatoes.

Southern Pacific Company presented an exhibit showing a comparative statement of business handled at this station during two seven months' periods, one ending June 30th, 1931, and the other June 30th, 1930. This exhibit is, in part, as follows:

<u>Items</u>	<u>R e v e n u e</u>	
	<u>12-1-29 to 6-30-30, inclusive</u>	<u>12-1-30 to 6-30-31, inclusive</u>
Passenger Tickets,	\$ 73.	\$ 14.
Less-than-carload freight received and forwarded,	553.	141.
Carloads received and forwarded.	<u>1,229.</u>	<u>1,533.</u>
Total Revenue	\$1,855.	\$1,688.

At the hearing applicant proposed to arrange to store the less-than-carload shipments in the warehouse under lock and key and appoint a custodian of the key.

The records of the Railway Express Agency, Inc., show a total revenue for shipments to and from Keyes for the seven months' period December 1, 1930 to June 30, 1931, to be \$235.44. The commission paid to the station agent on this business amounted to \$23.54.

The records show that the total railroad station expense to Southern Pacific Company, during the seven months' period ending June 30, 1931, amounted to \$1,106, or an average of \$158 per month, the principal item being the agent's salary.

The granting of both applications was protested by several merchants and buyers doing business at Keyes, their con-

tention being in general that the lack of business during the past few years resulted from the economic conditions which were below normal and, also, from the fact that the country has been adversely affected by less than normal precipitation during recent years. It was shown, however, that practically all of the protestants' main business is transacted during the five months' period that the agency will be maintained, under applicants' plan herein proposed.

The record in this case is similar to that in many abandonment cases before the Commission in recent years and without doubt is the result of the increased use of private automobiles and commercial truck operations on the highways in competition with the rail lines. The record shows that the total revenue received from less-than-carload shipments and the agency passenger business during the seven months' period, December 1st to June 30th, inclusive, during which time applicants propose to abandon the agency, is materially less than the station expense without any allowance for cost of transportation and other expenses incident to performing the service.

After carefully considering the evidence in this proceeding, the Commission believes that the amount of business offered to Southern Pacific Company during the seven months' period, December 1st to June 30th, inclusive, does not justify the expense of maintaining an agent at this point and that, therefore, this application should be granted.

The Railway Express Agency, Inc., also should be granted authority to close its agency over the same period, since it appears that there is no one available to handle the express agency on a part-time basis and the amount of business does not warrant the company maintaining a separate agency at Keyes during the time the railroad agency is closed.

O R D E R

A public hearing having been held on the above entitled applications, the matters having been duly consolidated and submitted, and the Commission being now fully advised,

IT IS HEREBY ORDERED that applicant, Southern Pacific Company, a corporation, is hereby authorized to close its agency at Keyes, Stanislaus County, California, for the seven months' period beginning December 1st each year and ending June 30th of the following year, provided that during this period said station is operated as a non-agency station, and to change its records and tariffs accordingly; provided further that the said station is continued as an agency station during the five months' period from July to November, inclusive, of each year.

IT IS HEREBY FURTHER ORDERED that applicant, Railway Express Agency, Inc., a corporation, is hereby authorized to close its agency at Keyes, Stanislaus County, for the seven months' period beginning December 1st each year and ending June 30th of the following year, and to change its records and tariffs accordingly; provided that the said agency station is continued during the five months' period from July to November, inclusive, of each year.

IT IS HEREBY FURTHER ORDERED that the authority herein granted is subject to the following conditions:

1. Applicants shall each year notify the public ten (10) days in advance of the closing of said agency by posting a notice at a conspicuous location at said station.
2. Applicants shall each year, within ten (10) days after the date of closing said agency, notify this Commission, in writing, that said agency has been closed.
3. Southern Pacific Company shall store less-than-carload freight shipments under lock and key in its warehouse, the key thereto to be obtained from a custodian located at or near said station.
4. The authorization herein granted shall lapse and become void if not exercised

within one (1) year from the date hereof unless further time is granted by subsequent order.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 14th day of March, 1932.

C. J. Lane
Leon Whiskey
M. J. Lane
W. B. Harris
Fred G. Stewart
 Commissioners.