

Decision No. 25569.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of  
(a) SOUTHERN PACIFIC COMPANY for an  
order authorizing it to close its  
agency at Milton Station, County of  
Calaveras, State of California, and  
(b) RAILWAY EXPRESS AGENCY, INC. for  
authority to abandon its agency at  
said station.

**ORIGINAL**

Application No. 18418.

Roy G. Hillebrand, for Southern  
Pacific Company.  
Wm. Lord, for Railway Express Agency,  
Inc.  
N. W. Pritchett, in propria persona.  
J. F. Towers, in propria persona.

BY THE COMMISSION:

O P I N I O N

In the above entitled proceeding Southern Pacific Company, joined by Railway Express Agency, Inc., petitioned the Railroad Commission for authority to close their agencies at Milton Station, Calaveras County, California.

A public hearing was conducted by Examiner Johnson at Stockton on November 4, 1932, at which time evidence was taken and the matter submitted.

Milton is located at the end of the Milton Branch which extends from Milton to Peters, a non-agency station, a distance of 11.5 miles. No passenger train service is performed over said branch.

The nearest agencies to Milton are Stockton, located a distance of 24.4 miles to the west, and Farmington, 15.9 miles

to the east. The population is estimated to be approximately 50 permanent residents. The principal carload business is cattle shipments.

The Southern Pacific Company presented an exhibit showing a comparative statement of business handled at Milton for the two years' period ending August 31, 1932. This exhibit is, in part, as follows:

	Revenue	
	<u>Year Ending</u> <u>Aug. 31, 1931</u>	<u>Year Ending</u> <u>Aug. 31, 1932</u>
Passenger tickets,	\$ 72.	\$ 64.
Milk and Cream,	30.	19.
*Less-than-carload freight received and forwarded - Local,	673.	406.
Less-than-carload freight received and forwarded - Interline,	73.	23.
*Carloads received and forwarded - Local,	6,883.	4,574.
Carloads received and forwarded - Interline,	<u>9,238.</u>	<u>8,175.</u>
Total Revenue,	<u>\$16,969.</u>	<u>\$13,261.</u>

\* For the items of local freight revenue the amounts shown are one-half of the actual revenue in order to allocate or credit to this station its proportion of the revenues derived therefrom.

This tabulation shows that the business conducted during the twelve months ending August 31, 1932, as compared with the same period ending August 31, 1931, reflects a loss in revenue of \$3,708., or a decrease of approximately 28 per cent. The total direct station expense over the same period amounted to \$1,865., or an average of \$155. per month, the principal item being the agent's salary. The total revenue, excluding that derived from carload business, is approximately a third of station expense.

Southern Pacific Company introduced evidence to show that the station expense is only a small part of the total expense

in handling shipments. Exhibit No. 1 shows that during the year 1931, on Southern Pacific Company's lines, station expense amounted to but 7.55 per cent of the total expense of operation.

The revenue of the Railway Express Agency, Inc., during the twelve months' period ending July 31, 1932, for express shipments forwarded and received at Milton amounted to \$377.44. In the past the Southern Pacific Company's agent has acted as express agent at this point on a commission basis. Railway Express Agency, Inc. alleges that in view of the small amount of remuneration no outside party is available to handle the agency in case Southern Pacific Company should be permitted to withdraw its agent.

Applicant, Southern Pacific Company, proposes to arrange to store less-than-carload shipments in its warehouse under lock; also, if the application is granted, the company's telephone located in the depot is to be made available to patrons to communicate with adjacent agents for the purpose of ordering cars or for other railroad business.

A number of witnesses appeared as protestants to the granting of this application. It was their contention that the removal of the agent would result in an inconvenience to shippers in ordering cars and that they would be deprived of the service of receiving notice of the arrival of less-than-carload shipments and would be required to secure the keys to the warehouse and telephone from a custodian.

After carefully considering the evidence in this proceeding, the Commission believes that the amount of business offered to the Southern Pacific Company and Railway Express Agency, Inc., does not justify the expense of maintaining a full-time agency at this station, particularly in view of the fact that there is only one freight train operated over this branch line per week. This application has been considered in connection with one filed by the same applicants, Application No. 18386, seeking authority to close their joint agency at Farmington, a distance by highway from Milton of

about 15 miles. It has been concluded, particularly in view of the showing made in the case of the application to close the agency at Farmington, that applicants should continue agency service at these stations on a part-time basis with one agent taking care of both stations. It is suggested that the agent spend one day a week at Milton, preferably the day on which the train is operated to this point, and the remainder of his time at the Farmington Station. This plan of agency service is based somewhat upon the contention of protestants that the railroad revenues have declined during the past two years due to drouth and general business conditions, and may be considered somewhat as an experimental plan with the hope that business will increase. On the other hand, if this hope is not realized, the Commission will, after a reasonable period of time, consider an application for complete abandonment of this agency station.

#### O R D E R

A public hearing having been held in the above entitled proceeding, the matter having been duly submitted and the Commission being fully advised and basing its order on the findings of fact as appearing in the opinion which precedes this order,

IT IS HEREBY ORDERED that the Southern Pacific Company and Railway Express Agency, Inc., be and they are hereby authorized to establish a part time agency at said station of Milton, located on the Milton Branch of its Western Division, in Calaveras County, California, subject to the following conditions:

- (1) Agency shall be maintained at least one day per week.
- (2) Southern Pacific Company shall, when the agent is not on duty, store less-than-carload shipments

under lock in company's warehouse and railroad telephone located at this station shall be made available to its patrons, the keys to both warehouse and telephone to be obtainable from a custodian located at or near said station, and notice advising shippers where keys may be secured shall be maintained at both warehouse and telephone.

- (3) Applicants shall give the public at least ten (10) days' notice prior to reducing the service by posting notices in a conspicuous place at 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 authority herein granted shall become effective on the date hereof.

Dated at San Francisco, California, this 23<sup>d</sup>  
day of January, 1933.

C. L. Seely  
Leon Whidell  
W. A. Linn  
M. B. Linn  
M. B. Linn  
Commissioners.