Decision No. <u>95665</u>.

BEFORE THE PAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of Southern Pacific Company for an order authorizing it to close the agency at McKittrick Station, County of Kern, State of California, during the period September 15th to June 15th, inclusive, of each year.

Application No. 18356.

OPICIMAL

H. W. Hobbs, for Applicant.

R. W. Cooper for Simmler Farm Center, Protestant. F. W. Cavanaugh in propria persona, Protestant. Walter King in propria persona, Protestant. N. D. Pritchett for Order Railway Telegraphers, Protestant.

BY THE COMMISSION:

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## <u>OPINION</u>

In this proceeding the Southern Pacific Company seeks authority to establish a seasonal agency at McKittrick, Kern County.

A public hearing was conducted in this proceeding before Examiner Handford at Bakersfield on January 24th, 1933. At this hearing the matter was duly submitted and it is now ready for decision.

McKittrick is unincorporated and is the trading center for a large reach area devoted to grain and stock business and is located on the McKittrick branch of the Southern Pacific Company's San Joaquin Division. Said branch extends from a connection with

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the main line at Kern Junction and extends west to Olig, a distance of 49.1 miles west. The present normal train service on this branch between Kern Junction and McKittrick consists of one train per week which is a local freight operated on Saturday, and when business justifies the train is operated to Olig which is the end of the branch located two miles to the west of McKittrick. Additional freight trains are operated when business demands. No passenger train service is performed over said branch.

At present applicant maintains a full time agency at McKittrick and it now proposes to operate this station as an agency from June 15th to September 15th of each year, and as a non-agency station during the remainder of the year. Although the proposed period of operation as an agency is fixed in the application as three months during which time the greater volume of grain and stock shipments are normally made, it was shown that it is the company's plan to extend the time of agency operation if business justifies.

The following tabulation shows the results of operation at McKittrick during the two-year period ending November 30, 1931, and 1932, omitting the three-month period of June 15th to September 15th of each year:

Freight Forwarded and Received:	November 30th,	For Year Ending omitting period September 15th Year 1932
*Carload Revenue - Local Carload Revenue - Interline *Less-than-carload - Local Less-than-carload - Interline	\$15,085. 3,193. 621. 392.	\$4,359. 356. 58.
Totel Rovenue	\$19,291.	\$4,773.
Station Data:		•
Number Waybills made Number freight bills made Number Western Union Messages Station Expense	264 643 596 \$1,600.	263 307 476 \$1,600.

\*The amounts shown are one-half of the actual revenue for shipments received and forwarded in order to allocate or credit to this station its proportion of the revenues derived therefrom. Applicant's proposed plan of operation provides that during the time this station is conducted as a non-agency, lessthan-carload shipments will be stored in the company's warehouse under lock. The company also offers to maintain a telephone at the station for the convenience of its patrons to communicate with the agency at Buttonwillow Station on railroad matters. Keys to both the warehouse and telephone to be made available to patrons through a custodian.

Buttonwillow is the only agency station on this branch line and is located 14.3 miles to the east of McKittrick.

A number of residents of McKittrick and vicinity appeared in opposition to the granting of this application, taking the position that the shippers of McKittrick would be seriously inconvenienced if applicant's plan to operate a seasonal agency were put into effect, in that they would have to do business with agent at Buttonwillow instead of having a man on the ground to furnish rate information, assist in making out bills of lading and the handling of Western Union business; that time would be consumed in securing the key to obtain or store shipments in the company's warehouse, and that the cattle shipments which are loaded at Olig should be credited to McKittrick Station, due to the fact that there are no loading corrals at McKittrick. It was shown that the shipments from Olig last year consisted of 178 carloads of cattle, 88 per cent. of which moved during months of April and May.

As shown in the above tabulation, the direct station expense for the nine months period during which applicant seeks to abandon this agency, without allowance for transportation and other expenses incidental to performing the service, amounted to \$1,600., which is more than four times the amount of the revenue received for all business other than carloads.

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In this case it appears and we hereby conclude, that the carrying out of the company's plan of maintaining a seasonal agency at McKittrick will not work an undue hardship on patrons of the line under applicant's plan, and will take care of the various classes of service.

## <u>ORDER</u>

A public hearing having been held in the aboveentitled proceeding, the matter having been duly submitted and the Commission being now fully advised and basing its order on the conclusion as appears in the opinion which precedes this order,

IT IS HEREBY ORDERED that the applicant, Southern Pacific Company, a corporation, be and it is hereby authomized to establish a seasonal agency station at McKittrick, County of Kern, State of California, and to change its station records and tariffs accordingly, provided that said station be continued as an agency station during the time from opproximately June 15th to September 15th of each year and as a non-agency station during the remaining period of the year, subject to the Dilowing conditions:

- Applicant shall each year notify the public ten (10) days in advance of the closing of said agency by posting a notice in a conspicuous place at said station, and also notify this Commission in writing that said agency is to be closed.
- 2. During the time the agency is conducted as a non-agency station less-than-carload freight shipments shall be stored under look in the company's warehouse and the company

telephone located at this station shall be made available to patrons, the keys to both warehouse and telephone to be obtainable from a custodian located at or near said station, notice of which shall be maintained advising prospective shippers and patrons where the keys may be secured.

- 3. 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.
- 4. The Commission reserves the right to make such further order in this matter as to it may seem right and proper and revoke the permission if, in its judgment, public convenience and necessity demand such action.

The authority herein granted shall become effective on the date hereof.

Dated at San Francisco, Californie, this \_\_\_\_\_\_ day of February, 1933.

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Commissioners.