

Decision No. 25688.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of )  
SOUTHERN PACIFIC COMPANY for an order )  
authorizing the closing of agency at )  
Newhall Station, County of Los Angeles, (Application No. 18365.  
California. )  
------(

C.W. Cornell, for applicant.  
J.J. Deuel for Kiwanis Club & California  
Farm Bureau Federation, Protestants.  
N.D. Pritchett, Order Railway Telegraphers,  
Protestants.

BY THE COMMISSION:

O P I N I O N ORIGINAL

In this proceeding Southern Pacific Company seeks authority to close its agency at Newhall in Los Angeles County, California.

A public hearing was conducted in this matter at Newhall by Examiner Handford on February 7, 1933, and at this hearing the matter was duly submitted and it is now ready for decision.

Newhall is an unincorporated town located on the Southern Pacific Company's main line between Los Angeles and San Francisco via San Joaquin Valley and is served by two passenger trains in each direction daily and a local freight train in each direction daily except Sunday.

The nearest existing agency stations to Newhall are Sangus, 2.4 miles to the west, and San Fernando, 8.8 miles to the east. The population of Newhall is approximately 1,250 permanent residents.

Southern Pacific Company's Exhibit No. 1 shows the railroad business handled at this point for the two-year period ending November 30, 1932, to be as follows:

Items	Business Conducted for			
	Year Ending November 30th		Year Ending November 30th	
Freight Forwarded and Received	Number	Revenue	Number	Revenue
Carloads,	324		143	
*Carload Revenue - Local,		\$697.		\$6,919.
Carload Revenue-Interline,		#83,039.		4,356.
Less-than-carload, Tons,	132		57	
*Less-than-carload Revenue -Local,		376.		182.
Less-than-carload Revenue-Interline,		378.		222.
<u>Passengers and Revenue</u>				
Agency Reports - Passengers	518		582	
Agency Reports - Revenue,		945.		633.
<u>Station Data</u>				
Pieces of Baggage Handled,	57		64	
Number of Way Bills made,	245		144	
Number Freight Bills made,	845		505	
Number Western Union Messages,	1,429		1,370	
Totals,		\$85,435.		\$12,312.

\*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.

# This revenue was received largely from the shipment of oil line pipe from eastern points.

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The principal carload business consists of oil, cement and feed shipments.

The tabulation shows that the business conducted in the twelve months ending November 30, 1932, as compared to the same period ending November 30, 1931, reflects a loss in revenue of \$73,123. or a decrease of approximately 86 per cent. The total direct station expense over the same period amounted to \$1,700. or an average of \$142. per month. The total revenue, excluding that derived from carload business, is approximately 61 per cent of the station expense.

Southern Pacific Company introduced operating figures to show that the station expense is only a small part of the total expense of handling shipments. Exhibit No. 1 shows that during the year 1931 station expense on Southern Pacific Company's system amounted to but 7.55 per cent of the total operating expense.

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

The granting of this application was protested by various property owners and merchants in the locality. It is their contention that the amount of business originating at said station warrants the service of an agent and that in addition to the less-than-carload business the amount of carload business should be taken into consideration in justifying agency station expense. It was further contended that the removal of the agent would result in an inconvenience to shippers in ordering cars, securing information on rate matters and receiving notice of the arrival of less-than-carload shipments. It is also their contention that it would be inconvenient if they were required to secure the keys to warehouse and telephone from a custodian.

While the net earnings of an agency are not the final test of public convenience and necessity for its continuance, it is an element that must be considered and in this case it was shown that the agency is operated at a loss when allowance is made for other expense in connection with shipments to and from this point. It does not appear that the patrons of the line will in this case be seriously inconvenienced if this agency is abandoned, provided the arrangements proposed by applicant are effected.

After carefully considering this entire record it is concluded, in view of the fact that the nearby agencies can take care of the business at this point without undue hardship to patrons, the expense of maintaining this agency is not justified and, therefore, the application should be granted.

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 now being fully advised, and basing its order upon the conclusion as it appears in the opinion which precedes this order,

IT IS HEREBY ORDERED that the applicant, Southern Pacific Company, be and it is hereby authorized to close its agency station at Newhall, County of Los Angeles, State of California, and to change its station records and tariffs accordingly, subject to the following conditions:

- (1) Applicant shall continue said station as a non-agency station.
- (2) The abandonment of this agency shall not result in an increase of fares for passengers boarding trains at this point.
- (3) Applicant shall 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.
- (4) Applicant shall store less-than-carload freight shipments under lock in the Company's warehouse and the Company's 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 at said station advising prospective shippers and patrons where keys may be secured.
- (5) Applicant shall, within thirty (30) days thereafter notify this Commission, in writing, of the abandonment herein authorized and of its compliance with the conditions hereof.

(6) 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 27<sup>th</sup> day of February, 1933.

C. C. Deane  
Leon Whitney  
W. A. Lee  
M. B. Lewis  
W. H. Brown  
COMMISSIONERS.