

Decision No. 25858.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
SOUTHERN PACIFIC COMPANY for an order
authorizing it to close its agency at
Palmdale Station, County of Los Angeles,
State of California, during the period
November 1st to June 30th, inclusive,
of each year.

Application No. 18554.

ORIGINAL

C. W. Cornell, for Applicant.
J. J. Deuel, for Los Angeles County Farm
Bureau, Protestants.
N. D. Pritchett, for Order of Railroad
Telegraphers, Protestant.

WHITSELL, COMMISSIONER:

O P I N I O N

In this proceeding the Southern Pacific Company seeks authority to establish a seasonal agency at Palmdale, Los Angeles County, California.

A public hearing was conducted in this proceeding at Palmdale on March 29, 1933, and at that hearing the matter was duly submitted and it is now ready for decision.

At present applicant maintains a full-time agency at Palmdale and it proposes herein to operate this agency during the four months' period July 1st to October 31st, inclusive, of each year and as a non-agency during the remainder of the time.

Although the proposed period of operation as an agency is fixed in the application as four months during the normal time of harvesting and shipping of deciduous fruit, it was shown that it is the company's plan to extend the time of agency operation if business justifies.

In the following tabulation are given the results of

operation at Palmdale as shown on the Company's Exhibits Nos. 1 and 2:

Items	: For 8 Months		: Total for Year :	
	: Ending June 30th:	: Ending June 30th:	: Ending June 30th:	: Ending June 30th:
	: 1931 :	: 1932 :	: 1931 :	: 1932 :
Carloads - Cars,	77	71	419	108
Revenue:				
*Carload revenue - Local,	\$ 4,492.	\$1,234.	\$ 8,540.	\$2,865.
Carload revenue - Interline,	15,206.	2,478.	32,378.	3,598.
Total Carload Revenue,	\$19,698.	\$3,712.	\$40,918.	\$6,463.
*L.C.L. revenue - Local,	303.	258.	639.	383.
L.C.L. revenue - Interline,	96.	135.	143.	178.
Passenger ticket revenue,	629.	401.	916.	617.
Milk and cream revenue,	-	7.	-	7.
Total L.C.L., passenger tickets, milk and cream revenue,	\$ 1,028.	\$ 801.	\$ 1,698.	\$ 1,185.
Total Revenue,	\$20,726.	\$4,513.	\$42,616.	\$ 7,648.
Average per Month,	\$2,590.	\$564.	\$3,551.	\$637.
Station Expense,	\$1,414.	\$1,338.	\$2,121.	\$2,006.
Average per Month,	\$177.	\$167.	\$177.	\$167.
Number Western Union Messages,	1,229	933	2,109	1,603
Average per Month,	153	116	175	133

*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.

The principal carload shipments consist of gasoline and oil (39%), pears (31%), rock (10%), and shocks (8%). The gasoline shipments are distributed more or less entirely throughout the year. The record shows, however, that Standard Oil Company, which is the largest shipper of gasoline, has recently moved its storage facilities from Palmdale to Lancaster. The shipments of pears and shock move during the period applicant proposes to maintain an agency. Other carload shipments are distributed throughout the year.

In addition to the revenue shown in the tabulation, the record shows that revenue amounting to an average of \$16. per month

was received from Pacific Motor Transport business, which should be credited to the Palmdale station.

Applicant's proposed plan of operation provides that during the time this station is conducted as a non-agency, less-than-carload shipments will be stored in the company's warehouse under lock; likewise the company's telephone will be made available to patrons to communicate with agents at the adjacent stations for the purpose of ordering cars or for other railroad business, the keys to both the warehouse and the telephone to be made available to patrons through a custodian. With respect to taking care of the passenger business, it was shown that during the time of non-agency station operation passengers may purchase tickets from the conductor on the train without extra cost.

The nearest agency stations to Palmdale are Saugus, located 37 miles to the south, and Lancaster, 8.3 miles to the north. If the proposed plan of operation is put into effect the agents at the adjacent stations will notify consignees, either by telephone or mail, of the arrival of shipments.

Los Angeles County Farm Bureau, representing the residents of Palmdale and vicinity, appeared in opposition to the granting of this application and took the position that the shippers of Palmdale 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 either of the adjacent agencies instead of having a man on the ground; that time would be consumed in securing the key to obtain or store shipments in the company's warehouse and that the company should consider the total earnings of the station rather than limit the consideration to the rather low less-than-carload revenue. It was also contended that the granting of this application would result in an inconvenience to the district in that shippers

would be deprived of direct Western Union business.

The record shows that in 1922 the Antelope Valley Growers Refrigerating Company constructed a large warehouse with pre-cooling facilities at Palmdale. Doubtless one of the primary reasons for constructing this storage facility was to take care of prospective fruit shipments out of Palmdale as there is a comparatively large section in this vicinity planted to deciduous fruit, particularly pears. The record also shows that in addition to fruit shipments out of Palmdale, this warehouse is used for the storage of citrus fruits from the south and grapes from the north. The management of this refrigerating company testified that if the agency is not maintained continuously it will work somewhat of a hardship on this business in that an agent's service is required in making out bills of lading and checking various classes of shipments.

The protestants contend that one of the primary reasons why business has decreased at Palmdale is due to the fact that the service is not what the shippers think it should be. It was pointed out that the railroad consumes over thirty hours in transporting less-than-carload shipments from Los Angeles to Palmdale. This rather long time results from the fact that the company operates local freight southbound only between Mojave and Saugus. Northbound shipments are carried on through freights and discharged at various points for the southbound local to distribute. Many of the shippers testified that if the service could be improved they would give their business to the railroad, particularly if an agent is retained at this point throughout the year.

After carefully considering the record in this proceeding, it is concluded that the agency at Palmdale should be retained for the present at least, with the understanding that if the company

will do all it reasonably can to improve the freight service to this point, the railroad will receive greater patronage from shippers. This application should therefore be denied and the following form of Order is recommended:

O R D E R

Southern Pacific Company having filed the above entitled application for authority to establish a seasonal agency at Palmdale, Los Angeles County, a public hearing having been held and the matter being duly submitted,

IT IS HEREBY ORDERED that the above entitled application is hereby denied without prejudice.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 24th day of April, 1933.

C. L. Lawrence
Leon Lawrence
W. J. Linn
M. B. Lawrence
William Lawrence
Commissioners.