

Decision No. ✓

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of)
SOUTHERN PACIFIC COMPANY)
to move the station at New England)
Mills and to abandon the agency at)
New England Mills.)
.....)

Application No. 1027.

A P P E A R A N C E S

Geo. D. Squires for Southern Pacific Company
E. Franklin for Citizens of New England Mills
and Vicinity.

O P I N I O N

GORDON, Commissioner.

SOUTHERN PACIFIC COMPANY on March 10, 1914 filed with the Commission its application for permission to move the station at New England Mills and to abandon the agency at that point. The applicant's eastbound and westbound tracks at New England Mills are approximately six-tenths (6/10) of a mile apart, and the agent is located on the westbound track. On the eastbound track applicant has installed a siding and house track, and has erected a small freight station. Applicant now desires to move this station to a point on its line distant about two thousand (2,000) feet easterly from its present location and near a point where the County Road crosses the railway. It is also proposed to rearrange and move to the east the existing siding and house track. The applicant states that the change in location as proposed will greatly benefit the public by rendering the facilities more accessible, and that the public interest and convenience will be subserved by this relocation. The applicant also desires to remove the agent who is now located on the westbound track, and to discontinue the agency at New England Mills entirely. It is claimed that the applicant's records show that only a small amount of

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business is handled at this station and that the receipts are not sufficient to justify the expense of continuing an agency.

A hearing was held in this case at Colfax on April 4, 1914, at which hearing the applicant was represented and most of the people from New England Mills and the surrounding territory who were interested in the matter were present.

The Commission prior to the hearing had directed its Engineering Department to make an investigation into the facts of the case, with the result that the statement in regard to the desirability of relocating the facilities on the eastbound track were found to be substantially correct. No objection developed at the hearing to this phase of the application, and I therefore see no reason why the applicant's request should not be granted so far as the change in the location of the present depot, siding and house track on the eastbound track is concerned.

With reference to the second part of the application, namely, the discontinuance of the agency at New England Mills, the facts appear to be as follows:

The Southern Pacific Company in a letter to the Commission of July 16, 1913 asked permission, informally, to discontinue this agency. Investigation by the Engineering Department showed that there was considerable objection on the part of the people in this neighborhood to the closing of this station, two petitions having reached the Commission, one with forty-six (46) signatures and the other with fifty-nine (59). The company was therefore instructed to make a formal application in order to give the people an opportunity to be heard; and the present application is the result.

The investigation developed that prior to the construction of the second (eastbound) track in December, 1910 a staff operator was maintained at New England Mills in connection with

the operation of the staff signal system, and who, incidentally, acted as passenger and freight agent. There was no justification from the amount of business transacted at New England Mills to maintain there a regular freight and passenger agent, and the presence of the staff signal operator was essential from an operating point of view only. When the double tracking of the line between Auburn and Colfax was completed and the automatic block signal system installed, the maintenance at New England Mills of a staff operator was no longer necessary and the company discontinued the signal station.

The people living in the territory tributary to New England Mills had, however, enjoyed agency facilities for so long that they protested strongly to the Southern Pacific Company against the removal of this operator. The company thereupon decided upon the establishment of an experimental freight and ticket agency in the expectation that sufficient business might develop to warrant the continuance of such an agency. The company was largely influenced in this decision by the fact that a considerable amount of construction work was carried on by the Pacific Gas & Electric Company in this neighborhood and that the traffic resulting therefrom was handled at New England Mills. In a letter written by the company to this Commission on December 5, 1912 the Southern Pacific Company, in pursuance to General Order No. 30, notified the Commission "that the establishment of this agency is experimental and that this company does not hereby, or in any other way, undertake to maintain it."

The Commission instructed the applicant to furnish a statement of traffic and revenue, for both freight and passengers, properly creditable to New England Mills for the period from January, 1913 to February, 1914, the latest months for which these statistics are available. The figures furnished by the company

were verified by the Commission, and are summarized as follows:

BUSINESS AT STATION NEW ENGLAND MILLS

Established as Agency -- December 5, 1912.

Next Station West - Applegate, 3.2 miles,
" " East - Colfax, 5.0 "

VOLUME (Even Tons)

	<u>F r e i g h t (Tons)</u>				<u>Passenger</u>	
	<u>Car-load</u>		<u>Less-than-Carload</u>		<u>Tickets</u>	
	<u>Forwarded</u>	<u>Received</u>	<u>Forwarded</u>	<u>Received</u>	<u>Sold</u>	
1913						
January	15	463	8	136	622	181
February	32	367	3	109	511	219
March	101	228	11	47	387	250
April	--	28	58	53	139	205
May	--	--	42	11	53	105
June	--	--	2	11	13	111
July	--	--	4	14	18	123
August	--	--	16	6	22	106
September	8	42	12	10	72	80
October	--	15	6	18	39	83
November	--	--	6	13	19	48
December	3	65	4	22	94	54
Total for 12 months.	159	1208	172	450	1989	1565
1914						
January	--	--	3	13	16	92
February	--	--	3	10	13	97

CHARGES (Even Dollars)

	<u>Freight Charges</u>				<u>Revenue</u>	
	<u>Car-load</u>		<u>Less-than-Carload</u>		<u>from</u>	
	<u>Forwarded</u>	<u>Received</u>	<u>Forwarded</u>	<u>Received</u>	<u>TICKET</u>	
					<u>SALES</u>	
1913						
January	8	1438	38	896	2380	94
February	32	826	18	695	1571	134
March	107	272	56	349	784	148
April	--	117	392	263	772	108
May	--	--	196	58	254	71
June	--	--	15	39	54	66
July	--	--	34	50	84	74
August	--	--	37	61	98	75
September	4	72	79	31	186	60
October	--	26	26	67	119	58
November	--	--	45	50	95	49
December	35	65	25	61	186	49
Total for 12 months	186	2816	961	2620	6583	986
1914						
January	--	--	15	48	63	74
February	--	--	13	41	54	81

It appears, then, that the total freight revenue for freight forwarded from and received at New England Mills during the year 1913 amounted to \$6583.00. The total passenger revenue on business out of New England Mills, from 1565 passengers, amounted to \$986.00; resulting in a total revenue from both freight and passengers of \$7569.00. The fact should not be overlooked that the tonnage and revenue figures for the freight traffic represent traffic both received at and forwarded from New England Mills. So that in justice only a portion (approximately one-half ($1/2$)) of the freight revenue should properly be credited to New England Mills and the other portion should appear as a credit at the other end of the haul. The table will also show that over sixty (60) per cent of the entire year's revenue falls in the first three (3) months of the year 1913. The revenue during these three (3) months was abnormal on account of the comparatively large amount of business done in connection with the construction work by the Pacific Gas & Electric Company. As mentioned heretofore, this work was completed by the middle of the year, and the months from June to December 1913 may be considered as reflecting the normal conditions at New England Mills. The average revenue from both passengers and freight per month then appears to be practically \$179.00; and if it is assumed that one-half ($1/2$) of this revenue is from business actually originating at New England Mills, I arrive at the conclusion that about \$90.00 is available to pay for the maintenance of the agent, for operating expenses, and all other charges in connection with the handling of this business. This amount of revenue, of course, is entirely insufficient to justify the maintenance of an agency at that point. Much stress was laid by certain shippers represented at the hearing on the theory that the company should be required to maintain an agency like the one under consideration at a loss, provided it could be shown that its business as a

whole for the entire system was profitable.

I am not prepared to subscribe to this view. While I am very much in sympathy with the efforts of the people of New England Mills to retain convenient and adequate station facilities, and am impressed by their fair-mindedness in presenting their claims, I am of the opinion that this Commission should not place any undue burden on one territory or on one set of people in order to discriminate in favor of another. And this is what an order by this Commission to maintain this station at a distinct loss would amount to. I believe that the position of the Commission in regard to this important question was made clear at the hearing, and that the witnesses and interested parties present appreciated its attitude. The question at issue in this case is simply whether the present and prospective business justifies the maintenance of an agent at New England Mills. I believe it will be clear that with the facts understood as to the small revenue at this point, the maintenance of an agency cannot be justified from a revenue standpoint. The necessity of an agent at a railroad station does not, however, depend entirely or principally on the total revenue received. It depends primarily upon less-than-carload freight handled and upon the number of passengers using the station. In other words, the agent is needed particularly for the handling of less-than-carload business and attending to the needs and wants of passengers. The statement of less-than-carload business indicates that subsequent to the abnormal months mentioned above and during normal months this business runs at an average of approximately fifty (50) tons per month, with a decrease rather than an increase during the last three months. The passengers handled at this station during the normal months averaged from 49 to 108 per month; and here again there appears to be no tendency towards an increase. Judging by these

latter facts there would again appear to be no necessity for the maintenance of an agent on account of the less-than-carload and the passenger business.

The principal business of the New England Mills territory seems to be the shipping of fruit. The Southern Pacific Company, through its representative, at the hearing expressed its willingness to co-operate with the Commission and the community in every way possible to give convenient and efficient service to the people at New England Mills; and I believe under the circumstances that this can best be accomplished by maintaining a temporary agent at New England Mills during each year's fruit shipping season, in the months of August, September and October, or by employing a resident of New England Mills to act as a caretaker during the entire year. This caretaker might be the custodian of the key to the freight house, and attend to the receiving and forwarding of less-than-carload shipments, and need not necessarily have anything to do with tariffs, collection of freight charges, or the sale of tickets. It is my opinion that the practical working out of one or the other of these suggestions should be left to the Southern Pacific Company.

I find, therefore, as a fact that the change in the location of the present station and side tracks two thousand (2000) feet east from their present location will benefit the people of New England Mills, and that the applicant should be permitted to change these facilities as outlined in the application.

I find further that the continued maintenance of a freight and passenger agency is not justifiable, either by the amount of revenue derived from business properly creditable to New England Mills or by the less-than-carload freight business or number of passengers handled at this point.

I recommend that the applicant make arrangements either by maintaining a temporary agency during the months of August, September and October of each year or by appointing a care-taker, as suggested heretofore, to properly serve the people at New England Mills.

I submit herewith the following form of Order.

O R D E R

SOUTHERN PACIFIC COMPANY, Having filed with the Commission its application in the proceeding entitled as above, and a public hearing having been held, and evidence having been presented by both parties, and the case having been submitted, and the Commission having ascertained the facts in this case, as hereinbefore set out, and basing its order on the findings contained herein and on the opinion which precedes this order:

IT IS HEREBY ORDERED AS FOLLOWS:

Permission is hereby granted to applicant for the removal of its depot and side tracks situated at New England Mills to a location approximately two thousand (2000) feet easterly from their present location, near the point where the County Road crosses the line of applicant's railway, as shown on a plan accompanying the application.

Permission is also granted to discontinue the agency at New England Mills, upon the condition that the applicant makes satisfactory arrangements to properly serve the public at New England Mills, either by maintaining a temporary agency during August, September and October of each year, or by appointing a care-taker, as outlined hereinbefore; and that within thirty (30) days from the date of this order applicant notifies the Commission of its action in this matter.

The Commission reserves the right, upon proper showing or upon its own initiative, to change or modify this order as to it may seem right and proper, and as future developments may warrant.

V The foregoing opinion and findings are hereby approved and ordered filed as the opinion and findings of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 17th day of April, 1914.

W. S. Loveland

Alex Gordon

Edwin O. Edgerton

Commissioners.