

Decision No. 21741.

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 the agency at
Dunnigan Station, County of Yolo, State
of California, and (b) RAILWAY EXPRESS
AGENCY, INC., for an order authorizing
it to abandon its agency at said station.

Application No. 21741

R. S. MEYERS, for Applicants

ROBERT W. THARP, for Woodland District Chamber of Commerce

N. D. PRITCHETT, for Order of Railroad Telegraphers, and
representing J. J. Deuel of California
Farm Bureau Federation

JAMES SLAVEN, for Dunnigan-Zamora Farm Center

A. E. AMADEN, for Dunnigan Grange

ORIGINAL

BY THE COMMISSION:

O P I N I O N

In this proceeding Southern Pacific Company and Railway Express Agency, Inc., request authority to close the agency at Dunnigan, Yolo County.

A public hearing was held before Examiner Hall, at Woodland, on March 23, 1932, at the conclusion of which the interested parties were allowed to submit briefs. These briefs have now been filed and the matter is submitted and ready for decision.

Dunnigan Station is located on the so-called west side main line of Southern Pacific Company, running between Davis, Yolo County, and Gerber, Tehama County, via Woodland, Dunnigan and Willows. Dunnigan is approximately twenty-eight miles north (east in railroad direction) of Davis. The nearest agencies are (1) Yolo, 13.3 miles south (west in railroad direction) and (2) Arbuckle, 10.3 miles north (east in railroad direction).

Applicants contend that the amount of business transacted at Dunnigan does not justify the expense of continuing an agent at this point, and substantiate this contention by Exhibit No. 1.

The following is a tabulation of the principal items included in Exhibit No. 1:

	<u>Year Ending</u> <u>1/31/38</u>	<u>Year Ending</u> <u>1/31/37</u>
No. of Western Union Messages	141	171
<u>Freight Received and Forwarded</u>		
No. of Carloads	130	158
Carload Revenue-local *	\$5,729	\$5,345
Carload Revenue-interline	\$1,395	\$2,167
Less-than-carload Revenue-local*	\$ 317	\$ 303
Less-than-carload Revenue-interline.	\$ 52	\$ 41
Passenger Revenue	\$ 26	\$ 31
Total Station Expense	\$1,869	
Average Station Expense per month	\$ 156	
Total Average Revenue per month for less-than-carload and tickets	\$ 33	

* One-half of actual revenue

It will be noted that one-half of the carload and less-than-carload local freight revenue is allocated to Dunnigan. This is done in order to allocate or credit to this station its proportion of the revenue derived therefrom.

The station expense is not actual for the year ending January 1, 1938, due to the fact that during 1937 the Dunnigan agent also acted as the agent at Zamora (7.4 miles south of Dunnigan). The agency at Zamora having been closed, the agent now spends his entire time at Dunnigan, therefore, it is necessary to estimate the present annual cost on the existing basis.

Applicants base their case upon the above facts which show

that the average monthly expense at this station amounts to \$156.00 whereas the revenue received from less-than-carload freight and passenger business amounts to only an average of \$33.00 per month.

Applicants further contend that the services of an agent are not essential to the handling of shipments at Dunnigan, and are of the opinion that it is possible for those now receiving and shipping freight to be conveniently served by their transportation facilities without the services of an agent.

Southern Pacific Company proposes, in the event this application is granted, to store all less-than-carload shipments in the freight house under lock and appoint a custodian of the key, so that receivers of less-than-carload freight may obtain the key to open the freight house and secure their freight. Furthermore, it is proposed to make the railroad telephone available to a patron in order that he may contact the nearest agency to secure information, give car orders, etc.

Railway Express Agency, Inc., showed that it endeavored to get some responsible local resident of Dunnigan to act as its representative, but without success. In the event this application is granted, the express company will handle express matter at the car door by the express messenger on the trains stopping at Dunnigan. Prepaid shipments would be left at Dunnigan station at owner's risk.

The granting of this application was protested by residents of Dunnigan, the California Farm Bureau Federation, and the Brotherhood of Railroad Telegraphers.

Protestants contend that (1) the patrons of applicants will not be served in a satisfactory manner without an agent at Dunnigan; (2) the agent is necessary for the conduct of business at the station of Hershey (3 miles north of Dunnigan), and at Zamora; (3) the handling of business through a custodian and telephone would be most unsatisfactory; and (4) the statement of revenue and

expenses (Exhibit No. 1) does not correctly portray the financial picture at Dunnigan.

Protestants claim that all the business transacted at both Hershey and Zamora should be included in the revenues at Dunnigan. Witnesses from Hershey testified that the Dunnigan agent was most useful in the conduct of their business with the railroad.

A considerable number of residents of the area testified that although they do not now use the station facilities at Dunnigan they expect to do so in the future. Furthermore, the establishment of a non-agency station will result in the loss of Pacific Motor Transport facilities.

After a review of the record it is believed that Exhibit No. 1 reasonably shows the financial situation at Dunnigan at the present time. The Exhibit shows an estimated expense for the year 1937, rather than the prorated actual expense. Zamora is no longer served by the Dunnigan agent and it was necessary to make an estimate as the actual experience of 1937 would not reflect the present actual experience. It is beyond question that a station with an agent is more convenient for the public than a station without an agent, even with the appointment of a custodian of the freighthouse key and the use of the railroad telephone.

In the event of the withdrawal of the agent at Dunnigan, the railroad will not have a representative between Yolo and Arbuckle, a distance of 23.6 miles. This appears to us to be a long distance for a railroad to be without a representative, particularly in such a large and productive agricultural area.

The employment of a resident agent might not be the proper manner in which a railroad should conduct its business in such an area but to our way of thinking it is imperative that in order for a railroad to retain its business and also to develop new business in a territory such as that between Yolo and Arbucke, it should keep in close contact with the transportation needs of the community.

This, we think, could be better accomplished by the employment of what we may term a territorial agent who can be, not only an office agent, but also a field agent. By so doing applicant can keep in touch with the transportation needs of the community and the shipping public can be assured that transportation needs would be available when required. The time is long past when the shipping public will automatically bring its freight to the railroad. Today, the railroad, as well as any other transportation facility, must go out among the shipping public and prove its transportation wares.

At Dunnigan it is without question that the station expenses will exceed the allocated less-than-carload and passenger revenues, but on the other hand, does the financial result alone measure the public convenience and necessity in the Dunnigan area? We believe that a railroad representation in about the center of the 23.3-mile area between Yolo and Arbucke is necessary and that Dunnigan is the proper location. Furthermore, we believe that there is a need which is not entirely measured by the less-than-carload and passenger revenue accruals, but is also measured by the agent's usefulness to the company as well as to the public.

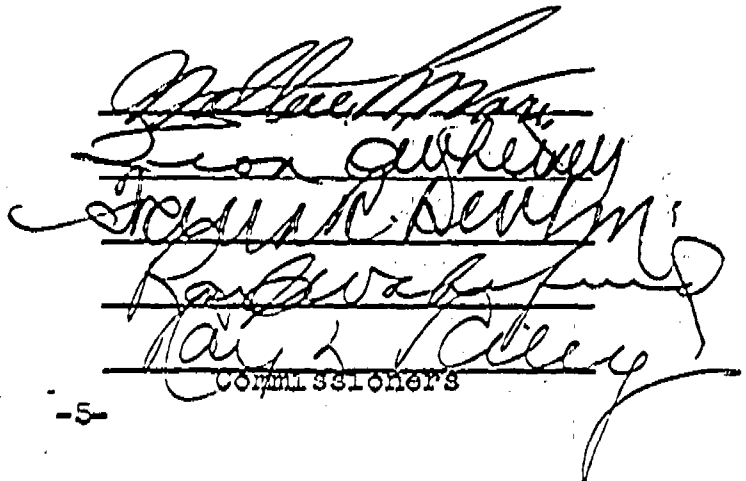
The application will, therefore, be denied. .

O R D E R

A public hearing having been held and the matter being under submission,

IT IS HEREBY ORDERED that the above-numbered application is denied.

Dated at San Francisco, California, this 27th day of June, 1938.



Commissioners