

Decision No. 44118

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 THE ATCHISON, TOPEKA AND SANTA FE)
 RAILWAY COMPANY, a corporation, and)
 RAILWAY EXPRESS AGENCY, for authority)
 to discontinue the station of Solana)
 Beach, California, and to thereafter)
 operate same as a non-agency station.)

ORIGINAL

Application No. 30759

William F. Brooks for applicant; H. G. Larrick, Sr.,
 for Solana Beach Chamber of Commerce, protestant.

O P I N I O N

The Atchison, Topeka and Santa Fe Railway Company, a Kansas corporation, and Railway Express Agency, a Delaware corporation, have applied for an order authorizing the abandonment of agency service at the railway company's station at Solana Beach, California.

A public hearing was held at Solana Beach, before Examiner Rowe, on March 10, 1950, at which time oral and documentary evidence was adduced and the matter was submitted for decision.

Solana Beach is located on the main line of the Santa Fe Railroad between Los Angeles and San Diego. Applicants' station is approximately three miles north by highway from its Del Mar agency station and five miles south of its Encinitas agency station. The distances by rail are 2.1 miles and 3.9 miles, respectively.

Applicants' position is that under present conditions the business handled at Solana Beach does not warrant the expense of

maintaining an agency there, and that it should be made a non-agency station until such time as sufficient traffic develops to justify again maintaining the agency.

The total shipments to and from the station during 1948 and 1949 were as follows:

	<u>1948</u>	<u>1949</u>
Carloads - Forwarded	None	None
Carloads - Received	178	142

	<u>1948</u>	<u>1949</u>		
	<u>No. of Shipments</u>	<u>Total Pounds</u>	<u>No. of Shipments</u>	<u>Total Pounds</u>
Less-than-carload				
Forwarded	11	5540	16	1385
Received	119	40655	63	17185

The following is a comparison of revenues and expenses based upon one hundred per cent of both local and interline revenue assessed to Solana Beach station:

	<u>1948</u>	<u>1949</u>
(1) Total operating revenue (including passenger, express, miscellaneous and milk and cream)	\$ 25,463.50	\$ 24,581
(2) Total operating expenses	\$ 3,822	\$ 3,978
<u>System Operating Ratio</u>		
(3) Excluding station expenses	81.87	83.1
(4) Estimated cost of handling Solana Beach traffic excluding station expense (1 x 3)	\$ 20,846.97	\$ 20,436.64
(5) Estimated cost of handling Solana Beach traffic including station expense (4 + 2)	\$ 24,668.97	\$ 24,414.64
(6) Estimated amount by which revenue exceeded cost of operating Solana Beach station (1 - 5)	\$ 794.53	\$ 166.36

As this Commission has stated in previous decisions, the alleged results as reflected by the application of the operating ratio theory is not sufficient in itself to justify the changing of a station's status from agency to nonagency. It is merely one of many factors which must be considered before such authority will be granted.

Although the number of less-than-carload shipments forwarded increased in 1949, the total poundage dropped from 5,540 in 1940, to 1,385 in 1949. By the same token the number of less-than-carload shipments received dropped from 119 in 1948 to 63 in 1949.

It is apparent that the bulk of freight handled at Solana Beach Station is carload. The small amount of less-than-carload freight in itself would not be commensurate with the expense that would be incurred by maintaining an agent at the station.

It appears that the present business handled at the Solana Beach station could be handled with very little inconvenience to the public at either the Del Mar or Encinitas station, with practically no loss of revenue to either applicant.

Protestant's evidence indicated that many residents of the Solana Beach area traveled, but purchased their tickets at either Del Mar or San Diego. The contention was that more passenger revenue should be allocated to this area. However, one witness stressed the fact that he and others would continue to purchase passenger tickets at the place where they would board

the train. Consequently, until such time as the railroad's streamlined trains make stops at Solana Beach, it appears obvious that very few passenger tickets would be purchased there, so any possible increase in the sale of tickets there must depend upon a radical and improbable change in the company policy of operating its passenger trains. Also, in view of the steady decline in freight business at this station, the testimony pointing to the growth in population and business at Solana Beach can have little bearing upon whether the station should be continued as an agency station.

Upon full consideration of the facts of record in this application, we are of the opinion, and find, that the expense of maintenance of applicants' agency at Solana Beach is not justified by the business now performed there; that the number of transactions at that agency is relatively few; that freight and passenger service will not be materially affected by discontinuance of this station as an agency station; and that any inconvenience to patrons is not commensurate with the cost of furnishing the agency service.

Therefore, the application will be granted.

O R D E R

A public hearing having been held in the above-entitled proceeding, and the matter having been duly submitted,

IT IS HEREBY ORDERED that The Atchison, Topeka and Santa Fe Railway Company, a corporation, and Railway Express Agency, a corporation, be, and they hereby are, authorized to abandon their agency at Solana Beach station, San Diego County,

California, and to change station records and tariffs accordingly, subject to the following conditions:

- (1) Said station shall be continued as a nonagency station;
- (2) Applicants shall give not less than ten (10) days' notice to the public of said agency abandonment by posting notice at said station;
- (3) Applicants shall, within thirty (30) days thereafter, notify this Commission in writing of the abandonment of the facilities authorized herein and of their compliance with the conditions hereof;
- (4) The authorization herein granted shall lapse if not exercised within one (1) year after the date hereof, unless further time is granted by subsequent order.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 2nd day of May, 1950.

R. F. [Signature]

[Signature]

[Signature]

[Signature]

COMMISSIONERS

Commissioner [Name] being necessarily absent, did not participate in the disposition of this proceeding,