

Decision No. 46469

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of SOUTHERN PACIFIC COMPANY and)
of RAILWAY EXPRESS AGENCY, INC.,)
for authority to discontinue)
agency at Rutherford, County of)
Napa, State of California, and)
to maintain said station as a)
non-agency.)

Application No. 32477

R. S. Myers, for applicants.I. S. Wilson and J. E. Hanlon, for The Order of Railroad
Telegraphers, protestant.John Daniel, Jr., for Inglenook Vineyard Co., protestant.Otto A. Gramlow and Harry Conrey, for Beaulieu Vineyard
Co., protestant.George A. Lincoln, for Lincoln Power Farm Equipment Co.,
protestant.John Olney, for St. Helena Chamber of Commerce, protestant.Gustave Ahrens, for The Handy Store, protestant.Steve Leitner, for The Rutherford Grocery, protestant.

O P I N I O N

(1)

The Southern Pacific Company herein requests authority to
convert its station at Rutherford, Napa County, from an agency to a
non-agency station.

A public hearing was held at Rutherford before Commissioner
Mitchell and Examiner Silverhart.

Applicants' agency stations nearest Rutherford are St.
Helena and Yountville, distant therefrom 4.2 miles easterly and
5.4 miles westerly, respectively.

If the application is granted, prepaid carload shipments
will be delivered at Rutherford as will collect carload shipments
wherein the shipper or consignee has arranged for extension of credit

(1) Railway Express Agency, Inc., joined in the application.

(2)
by applicant. Notification to consignees will be effected by the agent at St. Helena by means of U. S. postal card and telephone (if available). Arrangements to obtain cars on outbound movements would be made with the agent at St. Helena and could be consummated via telephone. (3) Store-door pick-up and delivery within a radius of one mile from the Rutherford station for less-than-carload shipments is presently afforded by Pacific Motor Trucking Company which will continue to render such service. Consignees who are not located within the Pacific Motor Trucking Company delivery zone will be notified by the agent at St. Helena that such shipments have been locked in the warehouse (4) at Rutherford and consignors outside of such zone may deposit outbound shipments in the warehouse. Shippers and consignees would gain access to the warehouse by means of keys made available by applicant. Payment of freight charges and surrender of the bill of lading to the agent at St. Helena will be required in order to effect delivery of shipments consigned to shippers' order. Applicant does not render passenger service to Rutherford. Express traffic will be processed by the agent either at St. Helena or Yountville; bills, however, will be issued at St. Helena. Railroad shipping documents will continue to indicate Rutherford as point of origin on outbound movements.

Applicants' Exhibit 2 sets forth the volume of freight traffic handled at Rutherford during the two twelve-month periods which ended June 30, 1950, and June 30, 1951, respectively, and may be summarized as follows:

-
- (2) Where a consignee possesses a private spur track, cars are placed thereon without further notice.
 - (3) The evidence shows that such a telephone call would not entail toll charges as Rutherford and St. Helena are in the same telephone exchange.
 - (4) Applicants' station supervisor stated that it would be responsible for loss and pilferage in and from the warehouse.

Year Ended	Carloads		Increase-Decrease		Less-than-carload (Tons)		Inc.-Dec.	
	Fwd.	Recd.	Fwd.	Recd.	Fwd.	Recd.	Fwd.	Recd.
Year Ended June 30, 1950	40	23			100	58		
Year Ended June 30, 1951	68	10	70%	56.52%	124	58	24%	

The financial result of the operation at Rutherford is
(5)
illustrated by the tabulation following:

	Year Ended June 30, 1950	Year Ended June 30, 1951
(1) (a) System Operating ratio	82.22%	80.52%
(b) System operating ratio excluding station expenses	77.91%	76.57%
(c) Ratio station expenses to revenue	4.31%	3.95%
(2) Gross operating revenue Rutherford (in dollars)		
(a) Carload - local	\$3,851	\$ 3,244
(b) Carload - interline	9,724	12,450
(c) Less carload - local	1,826	2,004
(d) Less carload - interline	2,523	2,996
(e) Express	448	490
(f) Western Union	1	
TOTAL	\$18,373	\$21,184
(3) Cost of handling freight traffic exclusive of station expense	\$15,456	\$17,571
(4) Station operating cost at Rutherford	3,686	3,872
(5) Total Cost handling Rutherford traffic	19,142	21,443
(6) Amount by which cost exceeds revenue	769	259

Six public witnesses, of whom all but two are connected with the neighboring wine growing industry, testified in opposition to the application.

C. Maragliano, whose farm is one quarter of a mile distant from the station (thus within Pacific Motor Trucking Company's

(5) Data derived from applicants' Exhibits 1 and 3.

pick-up and delivery zone) testified that he had not forwarded or received carload shipments; that he had received less-than-carload shipments, including one store-door delivery. His testimony indicated that he makes some express shipments during the Christmas season and that closing the station would result in little inconvenience.

George A. Lincoln, a dealer in farm implements and tractors at Rutherford, testified that a non-agency station is not as convenient as an agency station; that he would incur greater expense if he traveled to St. Helena in order to forward express shipments. This witness' testimony shows that he receives most of his less-than-carload shipments, store-door; that he does not forward carloads and has not received an inbound carload shipment in ten years.

Otto A. Gramlow, treasurer of Beaulieu Vineyard, testified that his company makes rail and express shipments from Rutherford; that closing the station would be a great inconvenience and would require him to acquire an additional man and truck in order to transport shipments to St. Helena; that the Beaulieu Vineyard has been located at Rutherford for over 50 years and has an established name throughout the United States; that there would be some detriment to its business if the name "St. Helena" was seen on the express shipping documents; that the agent at St. Helena, would afford his St. Helena customers better service than would be extended Beaulieu Vineyard. Cross-examination of the witness developed that his company has its own spur track where cars are picked up; that he thought he would promptly obtain cars for outbound movements from the St. Helena agent; that Beaulieu Vineyard's labels on its bottles, crates and packages will continue to show Rutherford, California, as its location; that he ships by truck at customer's order; that he utilizes trucks to carry shipments to piers because rail movement entails a longer time in transit.

John Daniel, Jr., managing partner of the Inglewood Vineyard and Ranch stated that closing the Rutherford station at and from which he receives and forwards freight and express shipments, would be an inconvenience to him. His testimony disclosed that inbound shipments consist of glass, corks and equipment, most of which are transported by truck; that he received one car last year; that wine comprises outbound shipments; that such shipments are equally divided between the railroad and trucks; that the matter of cars is not of great importance as he can obtain them from St. Helena.

The supervisor of the Beaulieu Vineyard testified that the Rutherford agent attends the bracing and loading of a car and when it is completed signs the bill of lading and seals it. The witness asserted he did not wish to permit a car to remain unsealed overnight.

J. Gagetta, a winery owner, stated that he had very few express shipments. His shipments move in cars which are sealed by the agent at Rutherford.

In this connection it should be noted that applicants' stationmaster testified that arrangements could be made to have the St. Helena agent sign bills of lading and seal outbound cars at Rutherford and also, that the train crew could seal a ready outbound car.

The evidence demonstrates that during the two twelve-month periods ending June 30, 1950, and June 30, 1951, the total revenue derived from express traffic amounted to \$448 and \$490, respectively. Carload shipments received in the twelve-month period ending June 30, 1950, averaged 1.91 cars per month and declined to an average per month of less than one car for the twelve-month period ending June 30, 1951. The evidence also indicates that revenue at Rutherford is

(6)
derived chiefly from carload traffic which can be handled adequately without need of an agent and that income produced by other than carload traffic is not commensurate with the cost of maintaining Rutherford as an agency station.

Upon consideration of all the facts, as disclosed by the evidence herein, and the application thereto of all the factors pertinent in a proceeding of this kind, we conclude that the public interest will not be disserved by authorizing the discontinuance of agency service at Rutherford. The application will be granted.

O R D E R

A public hearing having been had and based upon the evidence therein adduced,

IT IS ORDERED:

(1) That Southern Pacific Company is authorized to discontinue agency service at Rutherford, Napa County, subject to the following conditions:

- a. It shall maintain said station in a non-agency status.
- b. It shall give not less than ten (10) days' notice to the public of the discontinuance of agency service by posting notice thereof at said stations.
- c. It shall provide storage at said station in a suitable structure under lock, for less than carload freight shipments, supply keys therefor, to be kept at convenient locations nearby, and maintain notice at such station informing patrons where the keys may be obtained.

(6) Forty carloads were forwarded in the year ending June 30, 1950, of which 39 were cars of wine, and all 68 carloads forwarded in 1951 consisted of wine cars.

- d. The authorization herein granted shall lapse if not exercised within 90 days after the effective date hereof unless further time is granted by subsequent order.
- e. Within 30 days after discontinuance of service as herein authorized, Southern Pacific Company shall notify this Commission thereof and of compliance with the conditions hereinabove set forth.

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

Dated at Los Angeles, California, this 27th day of November, 1951.

A. F. Inman
President
Justice J. Casper
Harold K. Kula
Lawrence H. Potter
John L. McMill
Commissioners