

**ORIGINAL**Decision No. 48719

## 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, INCORPORATED, )  
 for authority to discontinue agency )  
 at Los Altos, County of Santa Clara, )  
 State of California, and to main- )  
 tain said station as a non-agency. )

Application No. 34133

R. S. Myers, for applicants  
I. S. Wilson, for The Order of Railroad  
 Telegraphers, protestants  
Paul I. Myers, for Los Altos Chamber of  
 Commerce, Kiwanis Club and other  
 protestants  
Charles W. Overhouse, for the Transportation  
 Division of the Commission.

O P I N I O N

Railway Express Agency, Incorporated requested that the application be dismissed as to it. As applied to Southern Pacific Company the application requests an order authorizing it to discontinue the agency at Los Altos and to maintain said station as a non-agency station. As justification for granting the requested relief it was alleged that the business handled at said station does not warrant the continued maintenance of an agency there.

Public hearing was held before Examiner Rowe in Los Altos on May 11, 1953 at which time oral and documentary evidence was adduced and the matter duly submitted.

Los Altos is located on a branch of applicant's railway operating between Palo Alto and Los Gatos, California. Much of the passenger service consists of carrying commuters to and from San Francisco. One train operates to and from the city daily except Saturdays, Sundays and Holidays. Most of the commute tickets are purchased at the Los Altos station. Tickets for trips on

the main line may now be purchased at Los Altos which is a distinct convenience to local residents. Passengers destined for Los Altos who check their baggage would be compelled to return for it at the nearest point on the main line. Those residents with more baggage than they can personally handle would likewise be compelled to find other transportation to a main line point.

Applicant's agency stations nearest that at Los Altos are Permanente 6.4 miles east and Palo Alto (California Avenue) 3.9 miles westerly.

The supervisor of stations of the Southern Pacific Company testified that the usual procedure would be followed in the event the Commission authorized Los Altos to be changed from an agency to a non-agency station. Responsible shippers and consignees, upon application, would be placed on the credit list and would thereby be able to forward both carload and less-than-carload shipments as prepaid and receive such shipments sent collect at Los Altos. Orders for cars would be placed through the agent at Mountain View. Consignees would be informed of arrival of both carload and less-than-carload shipments by notices mailed from Mountain View and also by telephone where possible.

In the handling of less-than-carload shipments, the applicant would arrange to have a key available so that shipments, on the outbound movement, could be locked in the station awaiting pickup by the train crews. On the inbound movement, the shipments would be locked in the station and the consignee could secure the key and then pick up the shipments. On shipments consigned to the shipper's order, or sent collect to consignees who have not established credit, the original bill of lading would have to be surrendered at Mountain View.

The inconvenience to the public would especially apply to those who are not regularly at their places of business where freight

is to be delivered or received, and those who wish to save the cost of delivery by personally picking up their freight at the local station. Store-door pickup and delivery is limited to a radius of one mile from the Los Altos station and is presently afforded by Pacific Motor Trucking Company.

In support of its request the applicant introduced as an exhibit a comparative statement of the business handled and the operative revenues and expenses associated with this station, as follows:

	YEAR 1951		YEAR 1952		AVERAGE PER MONTH COMPARISON	
	TOTAL	MONTHLY AVERAGE	TOTAL	MONTHLY AVERAGE	INCR.	DECR.
<u>"A" - BUSINESS HANDLED</u>						
1. Number of waybills made.....	159	13	210	18	5	
2. Number of freight bills made.....	2,035	170	2,073	173	3	
3. Passenger tickets sold:						
(a) Peninsula Traffic-						
Commuter	1,227	102	1,448	121	19	
-Other	1,115	93	1,382	115	22	
(b) Other Traffic-						
Local.....	90	8	123	10	2	
-Interline.....	70	6	45	4		2
Total Tickets Sold..	2,502	209	2,998	250	41	
4. Pieces baggage handled	118	10	123	10		
5. Carload freight traffic (cars).....	9	1	9	1		
6. L.C.L. freight traffic (tons).....	257	21	250	21		
7. Shipments Railway Express .....	4,261	355	4,703	392	37	

*Paragraph carried over to P 5*

	YEAR 1951		YEAR 1952		AVERAGE PER MONTH	
	TOTAL	MONTHLY AVERAGE	TOTAL	MONTHLY AVERAGE	INCR.	DECR.
<b>"B" - OPERATING REVENUES AND EXPENSES:</b>						
S. P. Co. Gross Operating Revenues:						
1. Carload Freight traffic-						
Local.....	\$ 22	\$ 2	\$ 375	\$ 31	\$ 29	
2. Carload freight traffic-						
Interline.....	1,447	120	1,858	155	35	
3. L.C.L. freight traffic-						
Local	6,094	508	5,841	487		\$ 21
4. L.C.L. freight traffic-						
Interline	1,402	117	1,378	115		2
5. Total freight traffic....	\$ 8,965	\$ 747	\$ 9,452	\$ 788	\$ 41	
6. Passenger Traffic:						
(a) Peninsula-Commute	\$17,677	\$1,473	\$21,014	\$ 1,751	278	
-Other..	1,054	88	1,126	94	6	
(b) Other						
-Local..	1,069	89	1,635	136	47	
-Interline	1,615	135	979	82		\$ 53
7. Total passenger traffic..	\$21,415	\$1,785	\$24,754	\$ 2,063	\$278	
8. Baggage Revenue.....	31	3	15	1		\$ 2
9. Storage - freight .....	85	7	54	5		2
10. Demurrage - freight.....	5	-	5	-		-
11. Express Revenue .....	4,799	400	6,304	525	125	
12. Total Gross Revenue....	\$35,300	\$2,942	\$40,584	\$ 3,382	\$440	
<b>S.P.CO. OPERATING COST:</b>						
Los Altos Agency:						
13. Wages - Agent .....	\$ 3,609	\$ 301	\$ 3,765	\$ 314	\$ 13	
14. Water.....	29	3	35	3	-	
15. Electricity for lights..	48	4	50	4	-	
16. Heating.....	19	2	34	3	1	
17. Telephone.....	254	21	252	21	-	
18. Stationery .....	16	1	16	1		
19. Miscellaneous Station						
Supplies .....	2	-	40	3	3	
20. Pay Roll Taxes .....	231	19	249	21	2	
21. Total Station Operating						
cost..	\$ 4,208	351	\$ 4,441	\$ 370	\$ 19	
22. Cost of handling traffic						
over S.P. Co. lines,						
exclusive of Station						
Expense at Los Altos...	\$44,310	\$3,692	\$50,221	\$ 4,185	\$493	
23. Total Operating Cost....	\$48,518	\$4,043	\$54,662	\$ 4,555	\$512	
24. Total Operating Cost						
exceeds System Revenue	\$13,218	\$1,101	\$14,078	\$ 1,173	\$ 72	

Eleven witnesses representing the Chamber of Commerce and other local service organizations and business units appeared as witnesses resisting the granting of this application. They stressed the irritations and inconveniences which they felt would result from the loss of a local station agent. In their opinion a local man would be more responsive to their individual requests. Great emphasis was placed upon the rapid growth of population in the area. This growth has been rapid and consists largely of new residents whose employment is in San Francisco.

The small savings in the expense of this station when balanced against the volume of business originating in the area does not appear to justify granting the application at this time. <sup>San Francisco</sup> Upon full consideration of the facts of record in this proceeding, the Commission is of the opinion, and finds, that the expense of maintenance of applicant's agency at Los Altos is not disproportionate to the business now required to be performed there; that the freight and passenger service will be materially affected by discontinuance of this station as an agency station; and that the saving which would be effected by closing the station is insufficient to justify imposing the inconvenience which will result to the local customers.

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 ORDERED:

(1) That Application No. 34133 as applied to applicant Railway Express Agency, Incorporated be, and it hereby is dismissed.

(2) That Application No. 34133 be, and it hereby is denied.

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

Dated at San Francisco California, this 16th day of June, 1953.

A. J. [Signature]  
President  
Justus F. [Signature]  
Harold P. [Signature]  
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Commissioners

Commissioner Kenneth Pottor, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.