

Decision No. 58869**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SOUTHERN PACIFIC COMPANY and RAILWAY)
 EXPRESS AGENCY, INC., for authority)
 to discontinue agency at DIAMOND)
 SPRINGS, County of El Dorado, State)
 of California, and to maintain said)
 station as a nonagency station.)

Application No. 40823

Randolph Karr and Harold S. Lentz, for applicants.

O P I N I O N

Southern Pacific Company and Railway Express Agency, Inc., operate a joint agency at Diamond Springs, California. Southern Pacific requests authority to discontinue its agency and make Diamond Springs a nonagency station. Railway Express seeks authority to discontinue its agency if the similar request by Southern Pacific is granted.

A duly noticed public hearing was held before Examiner Donald B. Jarvis at Diamond Springs on May 26, 1959. No protestants appeared at the hearing.

The uncontradicted evidence adduced by Southern Pacific indicates that it handles pickup and delivery service for less-than-carload shipments at Diamond Springs through its subsidiary Pacific Motor Trucking Company. At the present time there is only one shipper, the Diamond Springs Lime Company, which ships or receives carload lots at Diamond Springs.

If the Diamond Springs agency is discontinued, Southern Pacific proposes to handle Diamond Springs business from its Placerville agency which is three miles distant. The billing would be done from Sacramento. Placerville and Diamond Springs are on the same

telephone exchange. Southern Pacific estimates that if the application is granted it would save approximately \$6,400 a year in its operations.

The president of the Diamond Springs Lime Company testified on behalf of Southern Pacific. He stated that, if the agency were closed, the procedure proposed by Southern Pacific for handling shipments to and from his company would be satisfactory.

The only carload shipper and receiver of freight does not object to the discontinuance of the Southern Pacific agency. It appears that other members of the public, who ship or receive less-than-carload shipments, will, if the agency is closed, receive substantially the same service they now receive through Southern Pacific's Placerville agency at no extra cost. In the circumstances, Southern Pacific should be permitted to discontinue the Diamond Springs agency and substitute in its stead a Class "A" nonagency station.

Upon consideration of all the facts and circumstances of record, the Commission finds and concludes that public convenience and necessity no longer require the maintenance of a Southern Pacific agency at Diamond Springs.

The evidence produced by Railway Express indicates that its Diamond Springs agency handles approximately 13 shipments a month with an average gross revenue of \$68 per month. Mr. E. H. Neudeck, Railway Express District Supervisor, testified that the Southern Pacific agent now acts as the Railway Express agent; that it is the general company policy to pay its agents a ten percent commission; that if the Southern Pacific Diamond Springs agency is discontinued, it would be impossible, because of the small amount of business involved, for Railway Express to obtain a local agent under its usual type of agreement; and that the removal of the Railway Express agency

from Diamond Springs would in no way inconvenience local patrons because they would be afforded adequate service from the Railway Express Placerville agency.

Upon consideration of all the facts and circumstances of record, the Commission finds and concludes that public convenience and necessity no longer require the maintenance of a Railway Express agency at Diamond Springs.

O R D E R

Based upon the evidence of record and the findings and conclusions hereinbefore set forth,

IT IS ORDERED that:

1. Southern Pacific Company and Railway Express Agency, Inc., are authorized to discontinue their respective agencies at Diamond Springs, El Dorado County, subject to the following conditions:

- (a) Southern Pacific Company shall maintain said station in a Class A nonagency status.
- (b) Within ninety days after the effective date hereof and on not less than ten days prior to the discontinuance of the respective agencies at Diamond Springs, applicants shall post a notice of such discontinuance at the station, and, within ninety days after the effective date hereof and on not less than ten days notice to the Commission and to the public, applicants shall file in duplicate amendments to their tariffs showing the change authorized herein and shall make reference in such notice and tariffs to this decision as authority for the changes. In no event shall the agent be removed pursuant to the authority hereinabove granted earlier than the effective date of the tariff filings required hereunder.

(c) Within thirty days after discontinuance of service as herein authorized, applicants shall notify this Commission in writing thereof and of compliance with the above conditions.

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

Dated at San Francisco, California, this 11th day of August, 1959.

Ernest R. Page
 President

Richard L. Hill

E. Lynn Fox

Theodore J. J. J. J.

Commissioners

Commissioner Matthew J. Dooley, being necessarily absent, did not participate in the disposition of this proceeding.