

ORIGINAL

Decision No. 59204

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN PACIFIC COMPANY and RAILWAY EXPRESS AGENCY, INCORPORATED, for authority to discontinue agency at ARBUCKLE, County of Colusa, State of California, and to maintain said station as a Class A nonagency station.

Application No. 40486

Randolph Karr and Harold S. Lentz, for applicants.
I. S. Wilson and Harvey D. Loder, for The Order of Railroad Telegraphers, protestant.
Donald W. Littlejohn, for the County of Colusa, interested party.

O P I N I O N

Southern Pacific Company and Railway Express Agency, Incorporated, by this application filed October 3, 1958, request an order authorizing them to discontinue their agencies at Arbuckle, County of Colusa, and to maintain thereat a Class A nonagency station.

A public hearing was held in Arbuckle on January 8, 1959, before Examiner Rowe, at which time evidence both oral and documentary was adduced and the matter was duly submitted for decision. Subsequently, submission was set aside and further hearing was held on May 19, 1959 at which time the application was resubmitted with the right to file briefs, which only applicant did. Later protestant Fred Wilkins was granted permission to file a brief which he filed on October 20, 1959.

Only two passenger trains stop at this point, neither of which contains Pullman Company equipment. Trains with such cars cannot be boarded at Arbuckle. During the twelve-month periods ending August 31, 1957, and August 31, 1958, no baggage was handled at Arbuckle; and the aggregate total passenger revenue amounted to \$376 and \$461, respectively. With the agency discontinued at this station, passenger tickets may be purchased at the station at Williams, 10 miles distant, or at Woodland, 28 rail miles away.

Tickets may be purchased from the conductor on the trains which stop here. Credit will be allowed on subsequent purchases of round-trip or longer one-way tickets; or, if the customers prefer, tickets may be ordered from these nearby stations by free telephone or by letter.

Most of the freight moving to and from this station goes in carload lots, which amounted to 190 cars in the 12 months ending August 31, 1957, and 237 cars in the next such period. Less-than-carload shipments are transported by Pacific Motor Trucking Company. The evidence is convincing that service of the railroad applicant can just as efficiently be handled by the Williams agent located approximately ten miles to the north. No substantial inconvenience should be suffered by the public by closing this agency, which, the evidence indicates, will result in an annual saving to the company of approximately \$5,000.

The total gross revenue received by Railway Express Agency from shipments to and from Arbuckle is approximately \$1,300 per year. It will not be feasible for this applicant to engage the services of a local merchant to handle this business on a commission basis. The expected revenue from commissions, about \$11 per month, is insufficient to expect anyone to give the necessary time and work required to learn this applicant's tariffs and perform the relatively involved accounting procedures. In view of such gross revenue it would not be reasonable to require that the express company employ a full-time agent and rent space for such operation.

The further hearing was held upon the petition of F. R. Wilkins of College City. This gentleman was present at the first hearing but did not then testify. After the matter was reopened he stated that he personally receives pick-up and delivery service

of his less-than-carload freight, when he requests it, but that he prefers to pick up small shipments at the station. He expresses concern also about the occasional patron who resides outside Pacific Motor Trucking Company's delivery limits. This was due to his belief that if farmers are required to go to some other city for their depot deliveries or to transact other business with the agent they would probably patronize merchants at such other locations rather than those at Arbuckle.

From other testimony at the further hearing it developed that some six farmers were on a private telephone line not served directly by Pacific Telephone and Telegraph Company. This line occasionally would be out of order and consequently these farmers would not be able to immediately contact the Woodland agent by telephone. It would appear however, that if these farmers are required to come to Arbuckle to contact the agent now, they would not suffer much greater inconvenience if the agent were removed and they had to come to Arbuckle and use a public telephone to call the Woodland agent for their desired service.

Summarized the testimony of protestants amounts to an expression of a desire or preference for dealing with a Southern Pacific Agent who is a local man who can be talked with face-to-face rather than by telephone. Also, the opinion was expressed that a man who resides in the community would have the interest of the local people at heart more than would a stranger living in another and larger city.

The trucking industry has taken from Southern Pacific Company most of its less-than-carload transportation business. All of this business which has been retained by the railroad is now handled by its truck subsidiary Pacific Motor Trucking Company.

None of the trucking competitors have agents in Arbuckle. The only real inconvenience to the public which has been shown is that some farmers and others will be deprived of depot delivery service in Arbuckle. The fact that shippers and receivers of freight will be required to use the toll free telephone to make their desires known to the Woodland agent, rather than going to the station and talking with the local agent is more a psychological than a real inconvenience. The Commission would not be justified in requiring applicant railroad to maintain an agency at an annual cost of over \$5,000 when its competitors have no agent in Arbuckle and especially considering the fact that only 34 depot deliveries were forwarded and 233 were received, and that the total gross revenue from all less-than-carload freight moved, aggregated \$3,615. The evidence is most convincing that a local agent is not needed in connection with the carload movement which here during 1958 produced a gross revenue of \$40,957. Consequently, to require the retention of the agency would have to be based solely upon the inconvenience of no depot deliveries which is but a small fraction of the revenue producing business of this applicant.

From the evidence of record, it appears, and the Commission finds, that public convenience and necessity no longer require either applicant to maintain its agency at Arbuckle.

O R D E R

A public hearing having been held and the above matters having been duly submitted,

IT IS ORDERED that Southern Pacific Company and the Railway Express Agency, Incorporated, are authorized to discontinue their agencies at Arbuckle, Colusa County, subject to the following conditions:

- a. Southern Pacific Company shall continue to maintain said station in a Class A nonagency status.
- b. Applicants shall give not less than ten days' notice to the public of discontinuance of agency service by posting notice thereof at the station.
- c. Within ninety days after the effective date hereof, applicants, upon not less than ten days' notice to this Commission and to the public, shall file, in duplicate, amendments to their tariffs showing the changes herein authorized and shall make reference in such tariff amendments to this decision as authority therefor. In no event shall the agent be removed or the station abandoned pursuant to this paragraph earlier than the effective date of the tariff filings required hereunder.
- d. The authorization herein granted shall expire if not exercised within ninety days after the effective date hereof.
- e. Within thirty days after discontinuance of service as herein authorized, applicants shall notify the 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 27th day of October, 1959.

Ernest W. Sage
President

Robert L. Mitchell

William H. ...

E. J. ...

Theodore J. ...
Commissioners