

ORIGINALDecision No. 60002

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 Kerman,
County of Fresno, State of California,
and to maintain said station as a non-
agency.

Application No. 41239

Randolph Karr and Harold S. Lentz, for
applicants.
R. A. Cooke, for Kerman District Chamber
of Commerce, interested party.

O P I N I O N

Applicants commenced this proceeding on June 19, 1959. A public hearing was held before Examiner John Power at Fresno on December 3, 1959, and at the conclusion thereof the matter was submitted.

Kerman is located almost at the southern extremity of Southern Pacific Company's Western Division. It is 15.4 miles west of Fresno and 18.5 miles east of Mendota on the Los Banos subdivision of that division. The business center of the general area is the City of Fresno. Applicants seek to eliminate their joint agency at Kerman and transact their business there either through Fresno or through Mendota, depending on the type of business.

Railway Express proposes to handle the Kerman business through its Fresno office. It does not propose to offer pick-up or delivery service in Kerman. Less-than-carload freight is handled through Southern Pacific's truck subsidiary, Pacific Motor Trucking Company. Such shipments are processed through the Fresno terminal of Pacific Motor Trucking. All other matters will be handled through the agent at Mendota. Southern Pacific proposes to provide an Enterprise telephone number so Kerman patrons can call the Mendota agent without toll charge.

Letters of protest to this application were received from 16 residents of, or businesses in, Kerman, the Mayor of Kerman, and the Secretary-Manager of the District Chamber of Commerce. Of these only the Chamber of Commerce appeared at the hearing and the appearance was as an interested party.

The gross revenue associated with Kerman station for the year ended April 30, 1958, was \$85,602, with \$62,869 attributed to carload freight. In the year ended April 30, 1959, the comparable figures were \$95,073, and \$55,970. The express revenues for the two yearly periods were \$276 and \$278, respectively. Ticket revenue was \$273 and \$65 for the same two periods. The above figures are from Southern Pacific's Exhibit 4. In Exhibit 7 applicant estimated that net savings of \$5,157 would have been realized if Kerman had been operated as a nonagency station for the year ended April 30, 1959.

Kerman's agent has been rendering service at three nonagency stations, Biola, Floyd and Rolinda. The latter two are between Kerman and Fresno on the same railroad line. A substantial part of the carload revenue reported at Kerman actually represents traffic of these three stations.

It is clear from the evidence, and the Commission finds, that public convenience and necessity no longer require an agency at Kerman for either applicant. The relief requested will be authorized.

O R D E R

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

IT IS ORDERED:

1. That Southern Pacific Company and Railway Express Agency, Inc., are authorized to discontinue their respective agencies at Kerman, Fresno 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 agencies at Kerman, Southern Pacific Company and Railway Express Agency, Inc., 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, Southern Pacific Company and Railway Express Agency, Inc., 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, Southern Pacific Company and Railway Express Agency, Inc., 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 26th day of April, 1960.

[Signature]
President
[Signature]
[Signature]
[Signature]
Commissioners