

Decision No. 60409**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SOUTHERN PACIFIC COMPANY for
authority to discontinue agency
at Fair Oaks, County of Sacramento,
State of California, and to main-
tain said station as a Class "A"
non-agency station.

Application No. 42116

Randolph Karr and Harold S. Lentz,
for applicant.
Harold C. Macquarrie, for Fair Oaks Chamber
of Commerce; William C. Simonds, for
Olive Growers Association; protestants.

O P I N I O N

By this application, filed April 6, 1960, Southern Pacific Company seeks authority to discontinue the agency at Fair Oaks, and to maintain said station as a nonagency station.

Public hearing was held before Examiner Carter R. Bishop at Sacramento on May 24, 1960. Six witnesses were presented in support of the application, of whom five were Southern Pacific employees. The sixth was a representative of Pacific Motor Trucking Company, a wholly owned subsidiary of applicant.

Fair Oaks is located on the branch of that name, a two-mile line off the Placerville Branch on applicant's Sacramento Division. The agency stations nearest to Fair Oaks are Folsom, five miles to the east, and Sacramento, 18 miles to the west.

No passenger trains operate from or to Fair Oaks. The community is served by a daily local freight for carload traffic. All less-than-carload freight shipments on rail billing are

transported from and to Fair Oaks on trucks of Pacific Motor Trucking Company.

Applicant's station at Fair Oaks, the record shows, is staffed by a single employee. His duties have been greatly curtailed in recent years by reason of various operational changes. While Fair Oaks is a train order station, it has not been found necessary to issue any train orders at that station for a considerable period. According to the record, the closing of the agency would in no way affect the operation of trains.

The inauguration by applicant of a system of centralized accounting has resulted in the transfer of a substantial portion of clerical duties from the agent at Fair Oaks to the local freight office at Sacramento. Besides the routine accounting details this transfer includes such things as revision of freight charges, preparation and mailing of freight bills and the keeping of demurrage records. The record indicates that the remaining duties which, under the proposal herein, would be transferred to the Sacramento office can be absorbed without the necessity of hiring additional employees at the latter office.^{1/}

Under the plan to close the Fair Oaks agency, car orders would be placed by the shippers directly with the Sacramento agent. This would be done without the payment of telephone toll charges, since Fair Oaks is embraced by the Sacramento exchange. Other inquiries also, including requests for freight rate information,

^{1/} Until recently applicant's agent at Fair Oaks also acted as a joint commission agent of Railway Express Agency, Inc. The latter company, however, has secured the services of a local merchant who has taken over the function of express agent formerly handled by the rail employee.

would be placed directly with applicant's Sacramento personnel. Bills of lading covering carload shipments, which are now signed by the local agent, would be placed by the shippers in a box to be installed at the Fair Oaks station, there to be picked up and signed by the local freight conductor.

As previously stated, all of applicant's less-than-carload shipments originating or terminating at Fair Oaks are transported between that community and Sacramento in trucks of Pacific Motor Trucking Company. Practically all of these shipments are directly picked up or delivered at the shipper's or consignee's premises. With these shipments the agent at Fair Oaks has nothing to do. The only less-than-carload shipments passing through the rail depot are those shipped by, or consigned to persons located outside the Fair Oaks pickup and delivery limits. If the Fair Oaks agency is closed, shipments of this character will be picked up or delivered by the consignee or shipper at Sacramento. The record discloses, however, that the volume of this depot less-than-carload traffic is negligible. Under the proposal herein there would be no change in the less-than-carload service to patrons located within the Fair Oaks pickup and delivery limits.

Certain nonagency stations on the Placerville Branch are under the jurisdiction of the Fair Oaks agent.^{2/} However, most of the clerical work with respect to these stations is now done by the Sacramento agency. Under the proposal herein such tasks as are currently performed by the Fair Oaks agent in connection with traffic associated with said nonagency stations, the record shows, would be absorbed by the Sacramento agency and the local freight

^{2/} These stations are Mayhew, Manlove, Mills, Citrus, Perkins and Brighton.

train crew.

According to exhibits of record, during the 12-month periods ending December 31, 1958 and December 31, 1959, 1111 and 853 carload shipments, respectively, originated and terminated at Fair Oaks. Gross revenue accruing to applicant from these shipments amounted to \$130,605 and \$132,902, respectively. The corresponding figures for the above-mentioned non-agency stations totaled 111 and 142 cars, respectively, and revenue of \$30,392 and \$39,260, respectively. Applicant estimates that the sought agency elimination would result in a net saving to the company of approximately \$6,000 per year.

The protests of the Fair Oaks Chamber of Commerce and of the Olive Growers Association related principally to the asserted desirability of maintaining the agency in a growing community and to the fear that the service to be rendered by the applicant after the closing of the agency would lack the personal character of that now rendered by the local agent. Certain minor disadvantages to shippers attendant upon the proposed closing of the agency were brought to light. However, these were not shown to be of such magnitude as to require the maintenance of an agent at Fair Oaks. The record is persuasive that after the agency is closed the quality of service to be rendered by applicant in that community will not differ materially from that now accorded.

Upon consideration of all the facts and circumstances of record, the Commission finds that public convenience and necessity do not require that Southern Pacific Company continue its agency at Fair Oaks. The carrier proposes to maintain said agency as a Class A nonagency station. The following order will so provide.

O R D E R

Based upon the evidence of record and the findings and conclusions set forth in the preceding opinion,

IT IS ORDERED that:

(1) Southern Pacific Company is authorized to discontinue its agency at Fair Oaks, Sacramento 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 not less than ten days prior to the discontinuance of the agency at Fair Oaks, applicant 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, applicant shall file in duplicate amendments to its tariffs showing the changes 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, applicant 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 12th day of July, 1960.

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

[Signature]
President
[Signature]
[Signature]
Theodore Jenner

Commissioners