

ORIGINAL

Decision No. 60490

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC ELECTRIC RAILWAY COMPANY and)
RAILWAY EXPRESS AGENCY, INC., for)
authority to discontinue agency at)
East Long Beach, City of Long Beach,)
County of Los Angeles, State of)
California, and to maintain said)
station as a non-agency.)

Application No. 41624

E. D. Yeomans and James W. O'Brien, for applicants.

C. D. Hileman, for Order of Railroad Telegraphers;
William E. Clems, for Century Lumber Company;
and John E. Broom, for self; protestants.

O P I N I O N

In this proceeding applicants request authority to discontinue agency stations at East Long Beach, California. A public hearing was held on March 9, 1960, at Long Beach, before Examiner Mark V. Chicsa. Oral and documentary evidence having been adduced, the matter was submitted for decision.

Applicants contend that the business handled at the East Long Beach station can be conveniently and adequately transacted from and out of the adjacent Pacific Electric Railway

Company station at Watson and the Long Beach Railway Express office located at Carson Street and Cherry Avenue.

The evidence of record shows, and we find, the facts as hereinafter set forth.

The agency station of Watson is situated on the Los Angeles-Wilmington Line of the Pacific Electric Railway Company, 3.9 miles southerly of Dominguez Junction. The East Long Beach agency station is situated on the East Long Beach branch of said line 6.9 miles southeasterly of Dominguez Junction. The highway distance between the East Long Beach and Watson stations is approximately 6 miles, and between said East Long Beach station and Railway Express Agency's office at Carson Street and Cherry Avenue the highway distance is approximately 4 miles. Applicant, Pacific Electric Railway Company, proposes to reclassify said station as a non-agency station and handle the clerical and related work in connection with freight traffic originating at or destined to East Long Beach from its agency at Watson.

Present track facilities or service will not otherwise be changed. Telephone service will be available from the Watson station, and rail billed less-than-carload traffic will continue to be picked up and delivered by truck. The Watson agent or a clerk will call on carload customers daily or as may be necessary to assist customers in the handling of their railroad freight business.

Railway Express Agency, Inc., has its main Long Beach office at Carson Street and Cherry Avenue 4 miles from the East Long Beach station and will continue to render all services now available at the railway station from that location, thereby saving the agent commissions it now pays to Pacific Electric Railway Company.

A notice of hearing was published and posted as required, and a letter setting forth applicants' proposal was mailed to twenty-four of applicants' principal shippers or consignees and others possibly interested in the matter. ⁽¹⁾ Three protestants, as hereinabove shown, appeared at the hearing, only one of which conducts business regularly with the railroad, the major portion of its business consisting of incoming carload shipments of lumber or related building material, which shipments will not be materially affected by the change in agency status.

One person, the agent, is employed at the East Long Beach station and his hours are 8 a.m. to 5 p.m., Monday through Friday. No trains are operated at this station on Saturday and Sunday. At Watson, where the station is open seven days per week, there are five employees, at least one of which is on duty between 6 a.m. and 7 p.m. It was testified that it

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Nine letters of protest were received by this Commission prior to the hearing. Of these four were withdrawn before the hearing, three parties made no appearance and two appeared as protestants.

would not take more than 3 hours work per day by one person, 5 days per week, to do the work necessary to handle the East Long Beach business. The Railway Express Agency, Inc., has pick-up and delivery service in the area now served by the East Long Beach station. Its business at this station now consists only of picking up whatever outbound shipments are brought to the station. Railway Express Agency, Inc., annual revenue and average number of daily shipments for the years 1957, 1958 and 6 months of 1959 were as follows:

<u>1 9 5 7</u>		<u>1 9 5 8</u>		<u>1959 (6 mos.)</u>	
<u>Annual Revenue</u>	<u>Shipments per Day</u>	<u>Annual Revenue</u>	<u>Shipments per Day</u>	<u>Annual Revenue</u>	<u>Shipments per Day</u>
\$3,301	13	\$3,777	15	\$1,752	10

Pacific Electric Railway Company gross operating revenues associated with traffic originated and terminated at East Long Beach for the same periods was as follows:

<u>1957</u>	<u>1958</u>	<u>1959 (6 mos.)</u>
*Total \$125,803	\$105,580	\$32,998

*Includes North Long Beach non-agency station revenue but not Seal Beach non-agency revenue which is accounted for at Huntington Beach agency station.

Division of the East Long Beach station revenue with other railroads or net operating results for the station were not available.

Estimated annual savings if said station is operated as a non-agency station from the Watson station, based on current costs, are as follows:

GROSS SAVINGS:

Wages - agent, East Long Beach	\$ 5,335
Auto Mileage Allowance	465
Payroll Taxes	485
Telephone	504
Electricity	34
Water	14
Heat	29
Miscellaneous station supplies & expenses	56
Elimination of overtime at Watson Agency	<u>3,499 (see Note)</u>
Total	\$10,421

Less: estimated additional expense to be incurred at Watson Agency:

Wages - assistant agent (new position)	\$ 5,275
Auto Mileage allowance (2 Round Trips per day to East Long Beach)	648
Payroll Taxes	480
Telephone	504
Misc. station supplies and expenses	<u>46</u>
Total	<u>\$ 6,953</u>

ESTIMATED NET ANNUAL SAVINGS: \$ 3,468

Note: Establishment of position assistant agent, Watson, will permit elimination of overtime paid to agent for Saturday and Sunday work.

Two of the protestants testified that personal and public inconvenience would result from the proposed change, mainly because of the necessity to travel to applicants' other station or business office, and that delays might occur in the receipt or inspection of rail shipments. All three of the protestants took part in cross-examination of applicants' witnesses. The evidence of record clearly shows that the applicants can continue to render an adequate and satisfactory transportation service from their Watson and Long Beach stations, and we so find.

The application will be granted as hereinafter set forth.

O R D E R

A public hearing having been held, the Commission being fully advised in the premises and finding that public convenience and necessity does not require the maintenance of applicants' respective agencies at East Long Beach, City of Long Beach, California,

IT IS ORDERED that Pacific Electric Railway Company and Railway Express Agency, Inc., be, and they hereby are, authorized to discontinue their agencies at East Long Beach, subject to the following conditions:

- a. That Pacific Electric Railway Company shall maintain said station in a Class A non-agency status.
- b. That within ninety days after the effective date hereof and on not less than ten days prior to the discontinuance of the agencies at East Long Beach, Pacific Electric Railway 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, Pacific Electric Railway 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. That within thirty days after discontinuance of service as herein authorized, Pacific Electric Railway 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 2nd day of August, 1960.

Creighton B. Lee
President

W. J. Hatch

W. H. [unclear]

E. H. Fox

Theodore J. [unclear]
Commissioners