Decision No. 61021

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application) of NORTHWESTERN PACIFIC RAILROAD) COMPANY and RAILWAY EXPRESS AGENCY,) INC., for authority to discontinue agency at Geyserville, County of) Sonoma, State of California, and to) maintain said station as a Class "A" non-agency station.

Application No. 42392

ORIGINAL

<u>Randolph Karr</u>, for applicants. <u>C. Vanoni, Julius Nervo</u>, and <u>Edward Henry Nervo</u>, in propria personae; protestants. <u>E. G. McLane</u>, for the Commission staff.

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By this application Northwestern Pacific Railroad Company and Railway Express Agency, Inc., seek authority to discontinue their respective agencies at Geyerserville, Sonoma County.¹ Northwestern proposes to continue Geyserville as a nonagency station.

Public hearing was held before Examiner Carter R. Bishop at Geyserville on August 16, 1960.

Evidence in support of the application was presented through Northwestern's vice-president and general manager and five other witnesses.²

The station here in issue is located on Northwestern's main line.³ The agency stations nearest Geyserville are Cloverdale, nine miles to the north, and Healdsburg, eight miles to the south.

² They were: Northwestern's station supervisor and its district freight agent; a transportation analyst of Southern Pacific Company; Railway Express Agency's division supervisor; and a terminal supervisor of Pacific Motor Trucking Company.

³ From the record it appears that Geyserville has a population of about 300.

Applicants will sometimes hereinafter be referred to as "Northwestern" and "Express", respectively.



Several nonsgency stations are located between Cloverdale and Healdsburg, but none of these is under the jurisdiction of the Geyserville agent.

The aforesaid agent is the only employee stationed at Geyserville. According to the record, the functions which he formerly performed have by degrees been transferred to other employees or offices. As a result, the rail duties which remain for him can be discharged in an average time of about 45 minutes per day. These duties principally consist of answering telephone calls and handling those less-than-carload rail shipments which are tendered or delivered at the station. Billing, expensing and accounting functions have been transferred to the centralized accounting office located at Santa Rosa. These functions, as they relate to the nonagency stations of Asti and Nervo, shipping points for the Italian Swiss Colony and Nervo wineries, respectively, are also performed by the Santa Rosa office. An industry clerk, based at this last-named office, signs bills of lading for shipments originating at points on the rail line as far north as Asti, including Geyserville.

If the station closing herein sought is authorized, patrons will be able to transact business by toll-free telephone with Northwestern's Santa Rosa office. Such less-than-carload shipments as are required to be tendered or delivered at the Geyserville station, will still be handled in this manner.⁴ The railroad has arranged to leave a key to the station building at the store of one of the Geyserville merchants, which key will be available to patrons for this purpose. As at present, the shipments in question will be picked up or delivered at the station by a Pacific Motor Trucking Company driver.

Passenger service is no longer provided on Northwestern's line through Geyserville. Accordingly, it is not now a ticket office.

⁴ According to the record, only those less-than-carload shipments which are consigned for or delivered to patrons located outside the Geyserville pickup and delivery limits are handled through the Geyserville station.

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According to exhibits of record, during the calendar years of 1958 and 1959 and the first four months of 1960, carload shipments originating and terminating at Geyserville amounted to 32, 62 and 6 cars, respectively. Gross revenues accruing to applicant from these shipments were \$4,774, \$8,354 and \$513, respectively. Northwestern estimates that closing of the agency will result in a net annual saving of \$6,278 in operating expenses.

In the opinion of Northwestern's vice-president, service to the company's patrons at Geyserville will be as good, in the event that the station is closed, as it now is.

Northwestern's agent also acts as agent for Railway Express Agency on a commission basis. These commissions averaged about \$38 per month during 1959. The express company's regional supervisor testified that, based on his past experience, it would be impossible to secure a so-called merchant agent to handle the express business for this amount of compensation, in view of the amount of work which would be entailed.

Granting of the application was opposed by three persons, appearing as individuals.⁵ They, together with a transportation engineer from the Commission's staff, participated in the development of the record by examination of applicants' witnesses. No shipper interests, as such, appeared at the hearing.

One protestant suggested that the Geyserville agency be retained, but that certain allegedly unprofitable branch lines be discontinued or converted to truck operation. He further expressed the view that the agency should be retained to meet the transportation requirements dictated by the economic growth of Sonoma County. The

One of these protestants indicated that he was a part-owner of Nervo Winery, but did not purport to appear on behalf of said winery.

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protestants felt that more vigorous efforts on part of Northwestern would restore traffic to that carrier.⁶

The record is persuasive that, if the application herein is granted, Northwestern will be able to provide the same quality of service to its Geyserville patrons as it does under present circumstances, and that the proposed arrangement will result in substantial savings in operating costs. With reference to express service, the record shows that it is unpracticable, because of insufficient revenues, to provide either a merchant commission agent or a full-time salaried agent at Geyserville. While some inconvenience will be experienced by patrons in picking up and tendering their express shipments at Healdsburg, this requirement does not appear unduly burdensome.

Upon consideration of all the facts and circumstances of record, the Commission finds that public convenience and necessity do not require Northwestern Pacific Railroad Company and Railway Express Agency to continue their respective agencies at Geyserville. Northwestern proposes to maintain said station as a nonagency station for the receipt and delivery of carload and less-than-carload freight. The following order will so provide.

<u>ORDER</u>

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

IT IS ORDERED that Northwestern Pacific Railroad Company and Railway Express Agency, Inc., are authorized to discontinue their respective agencies at Geyserville, Sonoma County, subject to the following conditions:

⁵ The record shows that in former years substantial carload shipments were made from Geyserville proper. The wineries which were located there have closed down and shipments of produce now move by truck.

- a. Northwestern Pacific Railroad Company shall maintain said station in a nonagency status for the receipt or delivery of freight in any quantity, carloads or less.
- b. Within ninety days after the effective date hereof and not less than ten days prior to the discontinuance of the respective agencies at Geyserville, 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, Northwestern Pacific Railroad Company shall file in duplicate, and Railway Express Agency shall file in triplicate, amendments to their 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, 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.

San Francisco Dated at 1th , California, this Vinlin day of , 1960.

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President ommissioners

Commissioner Everett C. McRoage - being necessarily absent. did not participate in the disposition of this proceeding.