

Decision No. 61821**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 Santa Clara, County of Santa)
Clara, State of California, and)
to maintain said station as a)
Class "A" nonagency station.)

Application No. 42486

Randolph Karr and Harold S. Lentz, for
applicant.

Edwin J. Moore, for the City of Santa
Clara; Gregory J. Miller, for Santa Clara
Commuters Club; William V. Ellis,
for Railroad Brotherhoods, California
Legislative Board; F. F. Kinisky, for
Order of Railroad Telegraphers; Brad
Mortor, for City of Santa Clara,
Chamber of Commerce, protestants.

Hugh N. Orr and M. E. Getchel, for the
Commission staff.

O P I N I O N

Southern Pacific Company requests authority to discontinue agency service at Santa Clara, California, and to maintain said station as a nonagency station.

A public hearing was held before Commissioner Matthew J. Dooley and Examiner Thomas E. Daly on October 20, 1960, at Santa Clara. Continued hearings were held before Examiner Thomas E. Daly on January 31, 1961, at Santa Clara and February 1 and 2, 1961, at San Francisco, with the matter being submitted on the latter date.

The record discloses that applicant has maintained an agent at the Santa Clara station since 1899. At that time, it was stated, applicant maintained an agency station along its line every five or six miles, which at that time was a practical distance for a man to travel by wagon or horseback to either pick up or deliver his

shipments at the station. With the advent of the automobile, the need for maintaining agents so close has assertedly ceased to exist.

The agent is now on duty from 5:45 a.m. to 2:45 p.m. Monday through Friday. A time check of his active duties disclosed that he worked an average of four hours a day; however, the period considered did not include the first few days of the month when the sale of monthly commute tickets increased the average time. Applicant estimates that the discontinuance of an agent at the Santa Clara station would result in a savings of \$6,072 annually.

At the present time all freight matters are handled at applicant's San Jose station located 2.6 miles from the Santa Clara station. If the authority herein sought is granted applicant would continue to handle all freight through the San Jose station in addition to baggage.

The daily average of passengers on and off at the Santa Clara station for 1957, 1958 and 1959 are as follows:

1957		1958		1959	
<u>On</u>	<u>Off</u>	<u>On</u>	<u>Off</u>	<u>On</u>	<u>Off</u>
412	403	320	362	338	410

The volume of passenger and miscellaneous business at Santa Clara in physical units for 1959 is as follows:

	<u>Physical Units</u>	<u>Units Per Week Day</u>
<u>Passenger</u>		
1. Tickets Sold	11,434	45.0
2. Baggage Forwarded or Stored	148	0.6
3. Cans of Milk and Cream	-	-
<u>Miscellaneous</u>		
1. Sacks of Mail	-	-
2. Telegrams	-	-
3. Railway Express Shipments	-	-

The Santa Clara station has not been used as a Western Union office since 1958 and it is not a joint agency with Railway Express Company.

An analysis of the tickets sold at Santa Clara station for 1958, 1959 and for the first six months of 1960 is as follows:

	Tickets Sold		
	1958	1959	First 6 Mos. 1960
1. Beyond S.P. stations of San Francisco and San Jose			
(a) Interline	101	217	50
(b) Local	149	137	58
Total	250	354	108
2. Between S.P. stations of San Francisco and San Jose			
(a) Local	4,627	5,018	2,138
(b) Commutation	5,866	6,062	3,355
Total	10,493	11,080	5,493
Grand Total	10,743	11,434	5,601

The gross operating revenue at the Santa Clara station for the years 1958, 1959 and 1960 is as follows:

	1958	1959	First 6 Mos. 1960
<u>Passenger</u>			
1. Tickets			
(a) Commute	\$74,659	\$75,624	\$41,012
(b) Other	11,693	12,598	5,285
Total Tickets	86,352	88,222	46,297
2. Baggage Shipment and Service	27	59	18
3. Baggage Storage	8	14	-
4. Milk and Cream	-	-	-
Total Passenger	86,387	88,295	46,315
<u>Miscellaneous</u>			
1. Express	-	-	-
2. Telegraph	14	-	-
3. Rent	1,318	1,318	659
Total Miscellaneous	1,332	1,318	659
Grand Total	87,719	89,613	46,974

Applicant does not propose any changes in train schedules. The only change would affect the manner in which tickets would be sold. If the application is granted passengers would purchase tickets from the train conductors. The purchase of a one-way ticket from the conductor could be credited toward the purchase of a commute ticket. Interline and long-distance trip tickets may be handled by telephone.

Tickets would be mailed if reservations are made more than 48 hours prior to train time.

In the case of commute tickets applicant provides two mail service plans. The first is a mail order commutation ticket request, which consists of an envelope providing for the type of commute desired. Upon selecting the commute, one's check or money order is mailed to applicant, which, after receipt thereof, forwards the commute to the individual by return mail. The second plan is referred to as "Automatic Ticket-by-Mail." An individual selecting this plan is placed upon a list and his commute ticket is automatically mailed to him by the 26th of each month. The individual then pays by check or money order on the first day of the month that his ticket becomes effective by mailing a return payment envelope provided by applicant. Said plans are assertedly being given wide public acceptance.

Many public witnesses appeared in protest to the removal of the agent. Most of them were of the opinion that the removal of the agent would result in great inconvenience in the purchasing of tickets. One witness told of several difficulties she experienced in trying to obtain information from the San Jose station by telephone. A subsequent check by applicant disclosed that the difficulties complained of at the San Jose station were true and were attributable to lack of proper supervision. It was stated by applicant that these conditions have since been corrected. There was also complaint that the station has become a haven for drunks and vagrants. A police captain of the Santa Clara Police Department introduced an exhibit which disclosed that 17 arrests were made on the Santa Clara station property in 1959 and 12 arrests were made in 1960. These involved drunk and vagrancy arrests. Two additional arrests were made on station property in 1960, one involving burglary and the other malicious mischief.

The City of Santa Clara introduced evidence relating to the City's anticipated growth and development and the proposed plan to guide such growth to the year 1985. According to the exhibits, as well as the testimony of the Santa Clara Planning Commissioner, the plan provides allocations of land for various uses, suggested densities and distribution of population, and the over-all transportation network needed to efficiently move goods and people. The purpose of the evidence was assertedly to show that applicant should make provision for greater future use of the Santa Clara station rather than reducing service.

Protestants also put into evidence a summary of cash receipts taken from applicant's books maintained at the Santa Clara station. The summary covered the years from 1953 to 1960 and disclosed the following.

	<u>Local Tickets</u>	<u>Interline Tickets</u>	<u>Pullman Tickets</u>	<u>Period Total</u>
Last				
5 Mos. 1953	\$10,326.92	\$ 540.26	\$ 203.96	\$11,071.14
1954	40,329.68	3,336.23	684.24	44,850.15
1955	54,743.28	5,136.11	1,235.35	61,114.74
1956	72,953.42	5,468.06	1,047.22	79,468.70
1957	79,584.69	6,360.87	1,375.96	87,321.52
1958	82,547.29	7,109.36	1,309.69	90,966.34
1959	83,357.31	13,126.05	1,708.00	98,191.36
First 10 Mos.				
1960	74,072.10	7,615.87	1,097.58	82,785.55

Applicant pointed out that the above figures were unaudited and included the total amount of the interline tickets sold without deducting the amount paid to other carriers.

In these matters the Commission is primarily concerned with service. Costs of operations and resulting economies are of secondary consideration. Where there is little or no public use of an agency station there is no problem. Where, however, as in this case there is substantial public use then it is incumbent upon a

railroad to show that the public will be adequately provided for. Only when this condition has been met will the Commission consider the economic justification for changing an agency station to a non-agency station.

After reviewing the evidence the Commission is of the opinion that an agent is required at Santa Clara station for the purpose of providing the public with a convenient and adequate service. The Commission therefore finds and concludes that public convenience and necessity require that applicant's Santa Clara station remain as an agency station.

O R D E R

Application having been filed, the Commission being informed in the premises, and good cause appearing,

IT IS ORDERED that Application No. 42486 is hereby denied.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 11th day of April, 1961.

George W. Page
 President

W. S. Mitchell

E. Lynn Fox

George W. Hoover

Fredrick B. Hildehoff
 Commissioners