

ORIGINAL

Decision No. 62730

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of PACIFIC ELECTRIC RAILWAY COMPANY for authority to discontinue agency at Garden Grove, Orange County, State of California, and to maintain said station as a Class A non-agency.

} Application No. 43224

- E. D. Yeomans and James W. OBrien, for applicant.
- Willard R. Pool, for Weber's Home Appliances; and
- John Ek, for Chamber of Commerce of Garden Grove, protestants.
- C. D. Hileman and Warren E. Fisher, for Order of Railroad Telegraphers; George B. Honold, for City of Garden Grove; Earl G. McCullah and Dale C. Francis, for Poultrymens Cooperative Assn.; and Charles W. Vaughn, for L. M. Turner Ranch, interested parties.
- Lloyd C. Young, for the Commission's staff.

O P I N I O N

By this application Pacific Electric Railway Company seeks authority to discontinue its agency in the City of Garden Grove, Orange County, and thereafter maintain said station as a Class A non-agency station. Applicant contends that under present conditions both the business handled and the type of business conducted at said station do not warrant the continued maintenance of an agency at said station, and that the public can be adequately served from the agency station at Huntington Beach.

The application was questioned by the City of Garden Grove, Garden Grove Chamber of Commerce, and Weber's Home Appliances. Other interested parties appeared as shown hereinabove. Three letters of protest were received but the parties did not appear. All

of said parties were served with notice of hearing in accordance with the Commission's procedural rules.

A public hearing was held in the City of Garden Grove on June 7, 1961, before Examiner Mark V. Chiesa. Oral and documentary evidence having been adduced, the matter was submitted for decision.

Notice of Intention to close station was posted at the Garden Grove station on January 6, 1961, and notice of hearing was posted at said station and published in a local newspaper.

The Commission makes its findings of fact and conclusions as follows:

The City of Garden Grove is situated approximately 27 miles southeasterly of Los Angeles and has a population of approximately 93,000. The Pacific Electric Railway station is in the center of the city on applicant's West Santa Ana branch line and is 3.2 rail miles southeasterly of Stanton which is also served by said line. The Huntington Beach branch is also operated in conjunction with said line. The trains are made up in the Graham Yard, situated north of Watts, and operate via Lynwood, Bellflower, Artesia and Stanton. The Huntington Beach branch turns south at Stanton, a distance of 10.9 miles. The highway distance between Garden Grove and Huntington Beach is approximately 11 miles. One person, the agent, is employed at Garden Grove, and at the Huntington Beach station there are an agent and a clerk. The hours at both stations are 8 a.m. to 5 p.m. The train crew works Garden Grove between 11 a.m. and 1 p.m. It was estimated that the actual working time of the Garden Grove agent does not exceed 2 hours per day and that his work could be performed by the Huntington Beach agency without adding an employce or adversely affecting the present service at said station. No change is

contemplated in the manner of handling carload shipments except that the clerical work, inspections and inquiries will be handled by the Huntington Beach agent or clerk. Present track facilities will not be changed. A waybill box will be located at Garden Grove and at Stanton for the convenience of customers, agent and train crew. Free phone service will be made available. Less-carload shipments are now handled by a motor carrier affiliate and other carriers on a store-door pickup and delivery basis. No passenger tickets, railway express shipments, or mail are handled at the Garden Grove station. The employees at Huntington Beach will call on Garden Grove carload customers as often as necessary to assist them in handling their traffic.

Gross operating revenue associated with rail traffic originated and terminated at Garden Grove for the years 1959 and 1960 was as follows:

	<u>1959</u>	<u>1960</u>
Freight:		
Carload	\$148,101	\$101,477
Less-than-carload* (rail-billed)	2,984	3,184
Demurrage	<u>696</u>	<u>3,040</u>
	\$151,781	\$107,701

* not moved by rail

Applicant, a subsidiary of the Southern Pacific Company, operates only in the area known as the Los Angeles Basin. Expense associated with said traffic was not available, nor was the division of said revenue with other railroads.

The volume of business handled at the Garden Grove station for the twelve-month periods ending December 31, 1959 and 1960 was as follows:**

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	<u>Total</u>	<u>Average Per Day</u>	<u>Total</u>	<u>Average Per Day</u>
Carloads:				
Forwarded	46	.18	33	.13
Received	1649	6.49	1114	4.39
Less-than-carloads:				
Total tons:				
Forwarded	5	.02	6	.02
Received	170	.67	135	.53
Damaged Shipment In- spections	78	.31	79	.31
Car Orders Placed	40	.16	41	.16

** 1961 data was not available at time of hearing

Station operating expense for the year 1960 was \$7,191.

Applicant estimates savings on the basis of a non-agency station at \$6,616, as follows:

Gross Savings:

Wages - Agent	\$5,710	
Railroad Retirement & Unemployment In- surance Taxes	324	
Health and Welfare Benefits	<u>171</u>	
Total Wages, Taxes and Health and Welfare Benefits		\$6,205
Automobile Mileage Allowance - Agent	538	
Telephone	214	
Electricity	85	
Water	28	
Gas	61	
Misc. Station Supplies & Expenses	<u>60</u>	
Total other than Wages & Taxes		\$ 986
Grand Total:		<u>\$7,191</u>
Less: Added Expenses at Huntington Beach:		
Automobile Mileage Allowance	\$ 325	
Telephone Expense	250	
Misc. Station Supplies & Expenses	-	
Total Added Expense		<u>\$ 575</u>
Estimated Net Annual Savings		\$6,616

Protesting shippers contend that closing the station would result in delays and inconvenience and would not be in the public interest; that inspections would not be prompt; and that merchandise might be taken from cars. The record shows that cars are spotted at midday and that consignees will be notified by phone or by card as at present. No "pool cars" are received at Garden Grove. Carload consignees would have access to cars at all times, whether agent is present or not. Payment of freight bills will be accepted by the Huntington Beach agent who would go to Garden Grove for that purpose. Car and merchandise inspections will be made on request.

The Chamber of Commerce presented evidence of the industrial and residential growth of Garden Grove and surrounding area, as well as city plans for the further development of several industrial sections. Its position, generally, is that there is a need for an agency station at Garden Grove to properly take care of present and anticipated rail traffic. On the other hand, the record indicates that carload traffic can be adequately and satisfactorily handled through the Huntington Beach agency, and that the less-carload freight is practically nonexistent due primarily to the many store-door truck pickup and delivery services which are available. Applicant's spur and team track facilities and service will not be changed except by the substitution of one agent for another.

It is the intention of applicant to abolish the position now held by the agent who, by reason of seniority, will be retained.

The Commission having carefully considered the record finds that an adequate and convenient service is available from applicant's facilities maintained at

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Huntington Beach; that the general public interest would not be served by requiring applicant to sustain an unnecessary expense; and that public convenience and necessity no longer require that applicant railroad maintain an agency at Garden Grove. Applicant will be required to continue the station in a Class A nonagency status at which freight in any quantity, carload or less, will be handled.

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 do not require the maintenance of applicant's agency at Garden Grove, California, ✓

IT IS ORDERED that Pacific Electric Railway Company be, and it hereby is, authorized to discontinue its agency at Garden Grove, subject to the following conditions:

- a. That Pacific Electric Railway Company shall maintain said station in a Class A nonagency status.
- b. That within ninety days after the effective date hereof and on not less than ten days prior to the discontinuance of the agency at Garden Grove, Pacific Electric Railway Company 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 shall file in duplicate an amendment to its tariff showing the change authorized herein, and shall make reference in such notice and tariff to this decision as authority for the change. In no event shall the agent be removed pursuant to the authority hereinabove granted earlier than the effective date of the tariff filing required hereunder.

c. That within thirty days after discontinuance of service as herein authorized, Pacific Electric Railway Company 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 Los Angeles, California, this 24th day of OCTOBER, 1961.

 President
W. E. Mitchell

E. J. Fox

George E. Hoover

Frederic B. Holoboff
 Commissioners

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