

ORIGINAL

Decision No. 65440

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Electric)
 Railway Company for authority to)
 discontinue its agency at Santa)
 Monica, County of Los Angeles,)
 State of California, and to main-)
 tain said station as a Class A)
 nonagency.)

Application No. 44927
 Filed November 8, 1962

E. D. Yeomans and Walt A. Steiger, by Walt A. Steiger, for applicant.
C. D. Hileman for Order of Railroad Telegraphers;
Robert L. Neiman for Quali-TV; and Fred W. Coker for E & E Appliances, Inc., pro-
 testants.
John P. Ukleja for the Commission 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 Santa Monica, Los Angeles County, and thereafter to maintain said station as a Class A nonagency 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 Culver City, California.

The application was protested by two receivers of less-than-carload freight and the Order of Railroad Telegraphers, and was supported by one receiver of carload freight. Eight letters of protest were received. Three of these withdrew their

protests by subsequent letters, three appeared, and two 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 Santa Monica on March 5, 1963, before Examiner DeWolf. Oral and documentary evidence having been adduced, the matter was submitted for decision.

Notice of Intention to close the station was posted at the Santa Monica station on September 7, 1962, and a notice of hearing was posted at said station and published in a local newspaper.

The City of Santa Monica is situated, by rail, 14.6 miles westerly of Los Angeles. The Pacific Electric Railway station is in the center of the city and is the westerly terminus of said line. One person, the agent, is employed at Santa Monica and at the Culver City station there are two clerks and an agent. The hours at both stations are 8 a.m. to 5 p.m., and the Culver City station remains open during the noon hour. There is one round trip a day to Santa Monica. It was estimated by applicant's witnesses that the actual working time of the Santa Monica agent does not exceed 3-1/2 hours per day and that his work could be performed by the Culver City agency by adding an extra clerk without adversely affecting the present service at said station. The rail distance between the two points is 5.8 miles and by highway it is 6.6 miles. No change is contemplated in the manner of handling carload shipments except that the clerical work, inspections, and inquiries will be handled by the Culver City agency.

Present track facilities will not be changed. A waybill box will be located at Santa Monica for the convenience of customers and the train crew. Less-than-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 Santa Monica station. The employees at Culver City will call on Santa Monica carload customers as often as necessary to assist them in handling their traffic.

Gross operating revenue associated with rail traffic originating and terminating at Santa Monica for the 12 months ending October 31, 1961, and October 31, 1962, was as follows:

	<u>12 months Ending October 31, 1961</u>	<u>12 Months Ending October 31, 1962</u>
Carload Freight	\$ 148,797	\$ 99,062
Less-than-Carload	6,013	4,474
Storage	157	147
Demurrage	4,844	3,932
Totals	<u>\$ 159,811</u>	<u>\$ 107,615</u>

Applicant, a subsidiary of the Southern Pacific Company, operates in the area known as the Los Angeles Basin.

The volume of business handled at the Santa Monica station for the twelve-month periods ending October 31, 1961, and October 31, 1962, was as follows:

	<u>12-Month Period</u> <u>Ended Oct. 31, 1961</u>		<u>12-Month Period</u> <u>Ended Oct. 31, 1962</u>	
	<u>Total</u>	<u>Aver.per Day</u>	<u>Total</u>	<u>Aver.per Day</u>
Carload Freight:				
Forwarded	451	1.78	274	1.08
Received	1,020	4.02	843	3.32
Less-than-Carload:				
Total tons:				
Forwarded	175	.69	134	.53
Received	169	.67	186	.73
No. of depot shipments	899	3.54	798	3.14
No. of Damaged Shipments inspected	525	2.07	514	2.02
Order Bills of Lading	31	.12	18	.07
Car Orders Placed	364	1.43	304	1.20
Stop-off Cars	127	.50	73	.29

Figures for November, December and January show continuing decrease in carload traffic.

Station operating expense for the twelve months ending October 31, 1962, was \$8,697.

Applicant estimates savings on the basis of a nonagency station at \$1,522, as follows:

Estimated Annual Savings if Santa Monica station is operated as a nonagency from Culver City

Item	Amounts
<u>Gross Savings:</u>	
Wages - Agent	\$ 6,655 *
Railroad Retirement & Unemployment Insurance Taxes	492
Health & Welfare Benefits	<u>248</u>
Total Wages, Taxes & Health & Welfare Benefits	\$ 7,395
Auto mileage Allowance - Agent	\$ 527
Telephone	326
Electricity	67
Refuse Collection	18
Gas	57
Misc. Station Supplies & Expenses	<u>60</u>
Total other than Wages, Taxes & Health & Welfare Benefits	\$ <u>1,055</u>
Grand Total Gross Savings	\$ 8,450
Less:	
Added Expenses at Culver City:	
Wages - One Industry Clerk	\$ 5,773 *
Railroad Retirement & Unemployment Insurance Taxes	492
Health & Welfare Benefits	<u>248</u>
Total Wages, Taxes & Health & Welfare Benefits	\$ 6,513
Auto. Mileage Allowance - Industry Clerk	\$ 252
Telephone	163
Misc. Station Supplies & Expenses	<u>-</u>
Total other than Wages, Taxes & Health & Welfare Benefits	\$ <u>415</u>
Grand Total Added Expenses	\$ 6,928
Estimated Net Annual Savings	\$ 1,522

* Includes Vacation Allowance and Paid Holidays

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 of the arrival by phone or by post card as at present. 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 Culver City agent. Car and merchandise inspections will be made on request. No protest was made by the City of Santa Monica or by the Chamber of Commerce of the City.

The Commission finds that carload traffic can be adequately and satisfactorily handled through the Culver City agency, and that the less-than-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 need not be changed except to be operated by the agency at Culver City. It is the intention of applicant to abolish the position now held by the Santa Monica agent who, by reason of seniority, will be retained at another location.

The Commission finds that an adequate and convenient service is available from applicant's facilities maintained at Culver City. The public interest would not be served by requiring applicant to sustain an unnecessary expense at Santa Monica.

The Commission further finds that public convenience and necessity no longer require the maintenance by Pacific Electric Railway of an agency at Santa Monica.

O R D E R

IT IS ORDERED that:

Pacific Electric Railway Company is authorized to dis-continue its agency at Santa Monica, Los Angeles County, California, subject to the following conditions:

- a. Pacific Electric Railway Company shall maintain said station in a nonagency status for the receipt or delivery of freight in any quantity, carload or less.
- b. Within one hundred twenty days after the effective date hereof and not less than ten days prior to the discontinuance of the agency at Santa Monica, Pacific Electric Railway Company shall post a notice of such discontinuance at the station and, within one hundred twenty 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 amendments to its 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. Within thirty days after discontinuance of service as herein authorized, applicant shall, in writing, notify this Commission 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 9th day of MAY, 1963.

[Signature] President

Fredrick B. Hallock

William W. Bennett

Commissioners

I dissent.
George H. Dwyer
Sec

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