

Decision No. 69282**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Pacific Electric Railway Company for authority to (1) Relocate the headquarters of its Azusa Agency, without change in name or status, to new location on Ramona Boulevard at intersection of Depot Avenue, Baldwin Park, California; and concurrently to abandon its Azusa station building as a public facility; (2) Reclassify to non-agency status its Covina Agency, and thereafter to handle the required services from the relocated Azusa Agency at Baldwin Park; (3) Reclassify to non-agency status the joint Pacific Electric - Southern Pacific El Monte Agency, and thereafter to handle the required services from the relocated Azusa Agency at Baldwin Park.

Application No. 47213
(Filed December 23, 1964)

Randolph Karr, by William E. Still, for Pacific Electric Railway Company and Southern Pacific Company; applicants.
Mayor Max M. Shapiro and David M. Brown, for the City of South El Monte;
John Yingling and Elmer G. Geroncin, for the El Monte Chamber of Commerce; protestants.
C.D. Hileman, for the Order of Railroad Telegraphers; interested party.
James R. Ritchie, for the Commission staff.

O P I N I O N

By this application Pacific Electric Railway Company seeks authority to relocate its agency in the City of Azusa to Baldwin Park, California, to reclassify to nonagency status its

Covina agency and its joint Pacific Electric and Southern Pacific El Monte agency, and thereafter to maintain said stations in Covina and El Monte as nonagency stations and to handle the required services from the relocated Azusa Agency at Baldwin Park.

Applicants contend that under present conditions both the business handled and the type of business conducted at said stations do not warrant the continued maintenance of an agency at said stations, that the public can be adequately served from an agency at Baldwin Park, California, and that public convenience and necessity can best be served by these relocations and reclassifications.

Applicants posted notice of their intentions, and letters of protest were received by the Commission from the City of El Monte, O. H. Kruse Grain & Milling, The Order of Railroad Telegraphers, Advance Metal Lithographing, and Gregg Iron Foundry. Notice of hearing was published in newspapers of Azusa, Covina and El Monte, and posted at conspicuous places at the Companies' freight stations in said cities and mailed to all interested parties as required by the Commission's procedural rules.

A public hearing was held in the City of El Monte on May 5, 1965, before Examiner DeWolf.

The City of South El Monte and the El Monte Chamber of Commerce appeared and protested the reclassification of the El Monte station, and The Order of Railroad Telegraphers appeared and protested the entire application, but during the hearing withdrew its protest to all matters except the reclassification of the El Monte station. Oral and documentary evidence having been adduced the matter was submitted for decision.

Exhibits 1, 2, 3 and 4 show proof of posting notices of the hearing at the freight stations and publication in local newspapers in Azusa, Covina and El Monte. Exhibit 5 is a map of applicants' operations with the areas involved indicated in color. Exhibits 6 through 17 are sheets of statistical information introduced by applicants showing the business conducted at these agencies. Exhibit 18 is a plan of the proposed station to be constructed at Baldwin Park and Exhibit 19 is a letter supporting the position of the El Monte Chamber of Commerce.

The applicants introduced testimony by six witnesses, the supervisor of stations and car service, a staff engineer, the superintendent of the operations, the train master, the industrial agent and a freight agent, in support of the application.

The El Monte station is located on the Pacific Electric lines about two blocks from the Southern Pacific railroad. The applicants' witnesses testified that these three stations are presently operated on an 8 a.m. to 5 p.m. schedule with an hour out for lunch, are closed at noon and at other times when the agents are called away on inspections and other duties. Applicants propose to employ five personnel at Baldwin Park, an agent, one rate revising clerk, one general clerk and two industrial clerks, to keep the office open on week days from 8 a.m. to 9 p.m., and to install a toll free telephone service so that all of the present areas involved can reach the

station without a toll charge. Applicants' witnesses testified that the present system is wasteful of the time of its agents; nearly all contacts with the station are by telephone; the proposed plan will improve the service to the shippers and the public, and also result in economies in operation. Applicants' witnesses testified that there will be no changes in rates, schedules, or train service; and two automobiles will be available for employees to contact shippers and customers when necessary. Applicants' witnesses testified that less-than-carload shipments have fallen to less than an average of one per day with no passengers, express, baggage, milk or cream. The methods of handling business have been centralized, reducing or eliminating clerical, accounting and bookkeeping operations in the stations. Billing of shipments will remain the same so that each station will retain its identity as a railroad station. At the close of the hearing there were no objections to the relocation of the Azusa agency and the reclassification of the Covina agency.

It was estimated that the actual working time of the Azusa and Covina agents does not exceed 2-1/2 hours per day and that their work could be performed by a Baldwin Park agency without adversely affecting the present service to the public. No change is contemplated in the manner of handling carload shipments except that the clerical work, inspections, and inquiries will be handled by the Baldwin Park agent or clerk. Present track facilities will not be changed. Free telephone service

will be made available. 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 these stations. The employees at Baldwin Park will call on Azusa, Covina and El Monte carload customers as often as necessary to assist them in handling their traffic.

Gross operating revenue associated with rail traffic originating and terminating at Azusa, Covina and El Monte agencies is listed on Exhibits 9, 10 and 11, as follows:

	<u>1964</u>	<u>1963</u>
Azusa:		
Carload Freight	\$1,144,035	\$1,055,204
Less-than-Carload	1,394	--
Demurrage	11,625	10,988
Totals	<u>\$1,157,054</u>	<u>\$1,066,192</u>
Covina:		
Carload Freight	\$113,409	\$83,830
Less-than-Carload	811	--
Demurrage	1,341	1,144
Totals	<u>\$115,561</u>	<u>\$84,974</u>
El Monte:		
Pacific Electric Railway Company		
Carload Freight	\$93,398	\$77,070
Less-than-Carload	1,782	--
Demurrage	1,625	1,356
Totals	<u>\$96,805</u>	<u>\$78,426</u>
Southern Pacific Company		
Carload Freight	\$1,074,427	\$964,409
Less-than-Carload	3,116	826
Demurrage	676	784
Totals	<u>\$1,078,219</u>	<u>\$966,019</u>

The volume of business handled at the El Monte station for the years 1963 and 1964, listed in Exhibit 6, is as follows:

<u>Freight Carloads:</u>	<u>Pacific Electric and Southern Pacific</u>			
	<u>Year 1964</u>		<u>Year 1963</u>	
	<u>Total</u>	<u>Average Per Day</u>	<u>Total</u>	<u>Average Per Day</u>
a. Forwarded	1,710	6.73	336	1.32
b. Received	4,182	16.46	4,242	16.70

and shows a substantial increase in cars forwarded and slight decrease in cars received; however, cars received are more than double the cars shipped.

Applicants' witnesses testified to operating expenses and estimated savings, listed on Exhibit 13, as follows:

PACIFIC ELECTRIC and SOUTHERN PACIFIC
ESTIMATED ANNUAL SAVINGS IF RELOCATED

	<u>Present</u>	<u>Annual</u>	<u>Costs</u>		<u>Proposed</u>	<u>Est. Net</u>
	<u>Azusa</u>	<u>Covina</u>	<u>El Monte</u>	<u>Total</u>	<u>at Baldwin</u>	<u>Annual</u>
					<u>Park</u>	<u>Savings</u>
Wages	\$25,693	\$6,776	\$13,489	\$45,958	\$31,872	\$14,086
Rail. Retire. & Taxes, wel- fare benefits. (14.116%)	3,627	956	1,904	6,487	4,499	1,988
Misc. Expenses Other than Wages & Taxes	4,821	1,720	1,638	8,179	4,280	3,899
Totals	\$34,141	\$9,452	\$17,031	\$60,624	\$40,651	\$19,973

The applicants' industrial agent testified that the companies seek to increase and expand their freight operations; they are spending substantial sums for this purpose; and the proposed changes will aid the applicants in improving the efficiency of service to their customers.

No shippers or customers appeared to protest the application. The City of South El Monte protested the changes for the El Monte station by testimony of its Mayor and City Administrator, and the El Monte Chamber of Commerce opposed the application by its Administrator and a member of its transportation committee. The protestants testified that the industrial area of South El Monte is about one-half developed; the area is rapidly increasing in industrial plants and activity and shipping will correspondingly increase. The witnesses for El Monte also testified that the industrial activity of the area is increasing; the rail shipments will increase and the changes, including the loss of the station, would reduce the efficiency of its railroad facilities and reduce the attractions of this area for future industrial development.

Protesting witnesses also testified that closing the El Monte station would result in delays and inconvenience and would not be in the public interest; inspections would not be prompt; and merchandise might be taken from cars.

The Commission, having carefully considered the record, finds that adequate and convenient service will be available from applicants' facilities to be built and maintained at Baldwin Park; the general public interest would not be served by requiring applicants to sustain an unnecessary expense; and public convenience and necessity no longer require the maintenance by the Pacific Electric Railway Company of an agency at Azusa and Covina and the maintenance by the Pacific Electric and

Southern Pacific Company of an agency in El Monte. Applicants will be required to continue the Azusa agency relocated at Baldwin Park, and maintain the stations of Covina and El Monte in a Class A nonagency status at which freight in any quantity, carload or less, will be handled. Pacific Electric Railway Company will be authorized to abandon its Azusa station building as a public facility.

The application will be granted as hereinafter set forth.

O R D E R

IT IS ORDERED that:

Pacific Electric Railway Company and the Southern Pacific Company are authorized to revise the status or relocate the agencies at Azusa, Covina and El Monte, California, subject to the following conditions:

- a. Pacific Electric Railway Company shall maintain the station at Covina, and with the Southern Pacific Company the joint station at El Monte in a nonagency status for the receipt or delivery of freight in any quantity, carload or less.
- b. Pacific Electric Railway Company shall relocate its Azusa agency to Baldwin Park without change in name or status and concurrently abandon its Azusa station building as a public facility.
- c. Within one hundred twenty days after the effective date hereof and not less than ten days prior to the relocation or reclassification of the agencies at Azusa, Covina and El Monte, Pacific Electric Railway Company and Southern Pacific Company shall post appropriate notices at the stations involved of such relocation or revision, 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 and Southern Pacific Company shall file in duplicate 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.

- d. Within thirty days after discontinuance of service as herein authorized, applicants 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 22nd day of JUNE, 1965.

Fredrick B. Hallock
President
George T. Hoover
William B. ...
Commissioners