

**ORIGINAL**

Decision No. 69898

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Electric Railway Company for Authority to Discontinue its Agency at Hollywood, City of Los Angeles, County of Los Angeles, State of California, and to maintain said station as a Class A non-agency.

Application No. 47803  
(Filed August 12, 1965)  
(Amended September 22, 1965)

- William E. Still, for applicant.
- Harry Esbit, for Decorators Delivery Service; Lew Gronich, for Lewis Paper Co.; Ben Vander Pluym, for Bekins Van & Storage Co.; Frank J. Riha, Jr., dba Western Beverly Plumbing & Appliances; Morris Karpman, for Braverman Bros.; Don J. Carew, for Carew Distributing Co.; Wayne D. Collins, for General Foods Corp.; and Edward M. Breen, for Great Western Television & Appliances, Inc., protestants.
- K. D. Walport, for the Department of Public Utilities and Transportation of the City of Los Angeles, interested party.
- J. R. Ritchie, for the Commission staff.

O P I N I O N

By this application, Southern Pacific Company, successor to Pacific Electric Railway Company, applicant, seeks authority to discontinue its agency at Hollywood, Los Angeles County, California, and thereafter maintain said station as a Class A non-agency station. Freight only is handled at said station. Applicant alleges that under present conditions, neither the

business handled nor the type of business conducted at said station warrants continued maintenance of an agency at said station and that the public can be served adequately from the agency station at Culver City.

A public hearing on the application was held in Los Angeles on September 17, 1965, before Examiner Rogers. Notice of hearing was posted and published as required by this Commission. Prior to filing the application, applicant had complied with the provisions of General Order No. 36-B preparatory to terminating the agency service. None of the protestants or the City of Los Angeles presented any evidence except by cross-examination.

On the evidence presented at the hearing, the Commission finds as follows:

The Hollywood station is the eastern terminus of applicant's branch line, which extends westward through West Los Angeles to a junction with a line extending from Santa Monica on the west through Culver City to Los Angeles on the east. There are several non-agency stations on said lines, including Beverly Hills and West Hollywood. It is approximately 6.5 miles in a direct line between Hollywood and Culver City and approximately 10.7 miles between said stations by rail.

The station agent is the only employee at the Hollywood station. His hours are 8:00 A.M. to 4:30 P.M., five days per week, Monday through Friday. At Culver City, the applicant has three employees, whose working hours are 8:00 A.M. to 5:00 P.M., Monday through Friday. These employees will perform the work for the Hollywood station if the agency is terminated.

Applicant will provide Zenith telephone service so that any Hollywood shippers or receivers may contact the Culver City station without charge. No change is contemplated in the method of handling carload shipments. Accounting and billing for both stations are handled through the Los Angeles station and will continue to be so handled. Damage claims and inspections will be handled through the Culver City station. The only change in service will be that depot shipments (shipments picked up by the consignee or delivered by the consignor at the depot) will originate or terminate at Culver City instead of the Hollywood station.

The Hollywood station formerly served an industrial area. The area served is now industrial and commercial and is changing to commercial. Property values and taxes have increased so industry cannot afford to remain in the vicinity. Culver City has expanding industrial areas.

On occasion, cars spotted at the Hollywood station cannot be unloaded as the car doors are blocked by automobiles parked in the vicinity of the track. The Hollywood agent assists in having the automobiles moved so that cars may be unloaded.

Gross operating revenues from the rail traffic originating or terminating at Hollywood during the twelve-months' periods ending June 30, 1964 and June 30, 1965 were as follows:

	<u>12 months ending June 30, 1964</u>	<u>12 months ending June 30, 1965</u>
Carload	\$292,838	\$226,628
Less Than Carload	<u>1,364</u>	<u>876</u>
Total	\$294,202	\$227,504

In addition, in 1964 there was \$256 for storage and \$4,408 for demurrage. In 1965, this additional revenue included \$117 for storage and \$4,069 for demurrage.

The volume of business handled at the Hollywood station for the two periods referred to above was as follows:

	<u>12 months ending June 30, 1964</u>	<u>12 months ending June 30, 1965</u>
Freight - Carloads:		
Forwarded	141	126
Received	2,954	2,055
Freight - Less than Carload:		
Total Tons:		
Forwarded	17	11
Received	54	29
Number of Depot Shipments	207	113

The number of carloads handled by the Hollywood agency has decreased from a high of 390 per month in May 1961 to a high of 215 per month in March 1965.

In 1964, 471 damaged shipments were inspected. In 1965, 411 damaged shipments were inspected.

Agency operating expenses at Hollywood for the twelve months ending June 30, 1965 were \$9,352.

The applicant estimates savings on its basis of a non-agency station at Hollywood will total \$9,014 per year, as follows:

A. Gross Savings:

1. Wages - Agent	\$6,760 *	
2. R.R. Retirement and U.I. Taxes	616	
3. Health & Welfare & Hospital Benefits	<u>249</u>	
4. Sub-Total, Wages and Taxes:		\$7,625
5. Private automobile allowances:		
Agent, Hollywood	\$1,059	
Clerks, Culver City	500 #	
6. Telephone	450	
7. Electricity	79	
8. Gas	69	
9. Miscellaneous station supplies & expenses	<u>40</u>	
10. Sub-Total, other than Wages and Taxes:		<u>\$2,197</u>
11. Estimated Total Gross Savings:		\$9,822

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B. Added Expenses at Culver City:

12. Operation of Company automobile	\$ 608	
13. Additional telephone expense	<u>200</u>	
14. Estimated total added Expenses:		<u>\$ 808</u>

C. Estimated Net Annual Savings: \$9,014

\* - Includes vacation allowance and paid holidays.

# - Present cost for use of personal automobiles, \$1,108, less cost to operate Company automobile, \$608 = \$500 savings per annum.

The Commission finds that adequate and convenient service is available for Hollywood station shippers and receivers at the Culver City station and public convenience and necessity no longer require the maintenance by the Southern Pacific Company of an agency at Hollywood.

The Commission concludes that the application should be granted. Applicant will be required to maintain its Hollywood station as a Class A non-agency station.

O R D E R

IT IS ORDERED that:

1. Southern Pacific Company is authorized to discontinue its agency at Hollywood, Los Angeles County, subject to the following conditions:

- (a) Applicant shall maintain said station in a non-agency 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 Hollywood, Los Angeles County, applicant 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, applicant 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 2<sup>nd</sup> day of NOVEMBER, 1965.

Fredrick P. Holbrook  
President  
George J. Crower  
William B. ...  
Commissioners