

ORIGINAL

Decision No. 81848

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SOUTHERN PACIFIC TRANSPORTATION
COMPANY for authority to discontinue
agency and to remove station building
and appurtenances from public service
at Huron, County of Fresno, State of
California.

Application No. 53412
(Filed June 21, 1972)

Harold S. Lentz, Attorney at Law, for applicant.
Ted R. Frame, Attorney at Law, for the City of
Huron, protestant.
Paul Burket, for the Commission staff.

O P I N I O N

This application was heard before Examiner Fraser at Huron on September 19, 1972. Submission was set aside by Commission order on December 5, 1972 and a further hearing held in Huron on April 26, 1973 to receive evidence regarding the shipment of lettuce, which was not produced in quantity prior to late 1972. Copies of the application and notice of the hearings were served in accordance with the Commission's procedural rules.

Applicant requests authorization to discontinue its agency and to remove the agency building and its appurtenances from public service at Huron, Fresno County, California. The railroad provided testimony from six witnesses and introduced documentary evidence. Protestant witnesses included the mayor of the city of Huron, a school principal who represented the Huron Chamber of Commerce, and a shipper of melons. A witness representing a shipper of lettuce and the manager of a new furniture manufacturing plant testified for protestant during the second hearing.

A railroad representative testified that maintenance of the Huron agency costs about \$1,200 a year. Union contracts require that all work on the agency building be performed by railroad employees, from work crews at Fresno or Bakersfield. Very minor repairs frequently require the services of a two-man work crew for a full day, since travel time is included. A witness testified that a time and motion study was made on September 14 and 15, 1972 which revealed that the functions of the Huron agency can all be performed out of the Coalinga agency by telephone, except for five or ten minutes in the morning when the agent checks the freight cars on the Huron siding. If this application is granted the shipper will contact the Coalinga agent, and the request will be forwarded to the Fresno office which is responsible for car allotment and providing information. Testimony of two witnesses emphasized that applicant will save more than \$11,000 annually in wages if the Huron agency is closed. The Huron agent will be employed elsewhere and eliminate the need to hire an inexperienced man. Applicant's witnesses gave assurances that sufficient personnel will be assigned exclusively to Huron each July and part of August to handle the shipment of the half million dollar annual melon crop. These men will work out of an office in Huron which will be open and occupied every day of the shipping season. The same policy will prevail during the lettuce shipping in September and October, if required. It was noted that the application was filed because the Huron agent does almost nothing during the six slow months and his functions during this period can be efficiently performed by the agent at Coalinga, which is 16 miles southwest of Huron.

The Mayor of Huron testified that the city has a population of 1,840 and seven large packing sheds which serve farmers in the area. He testified regarding his efforts to attract industry to Huron and advised that the presence of a railroad agency is important to insure the growth of a community. His testimony was developed by a representative of the local chamber of commerce who advised that the local

population was migratory at one time but is now permanent. A vice president of the Huron Shippers Association testified at least 1,700 acres of lettuce will be shipped out of Huron during 1973 in addition to several hundred thousand dollars worth of melons. He further testified that the Huron area is now receiving large quantities of water from the San Luis Canal and will in time be producing fruits and vegetables on a par with the Salinas Valley. He advised that a local agent is essential since Huron may soon be shipping 8 or 9 months of the year as new crops are produced; in addition, smooth handling of present business requires close liaison with the agent for an extended period prior to the first shipment. He further advised that during the shipping season, the agent is very important as the link between the shipper and the distant person in Fresno who provides the rail cars.

During the second hearing the Huron agent testified that 236 lettuce cars were shipped in October of 1972, 115 in November, 27 in December, 28 in January of 1973, 25 in February, 2 in March, and 128 in April. The witness testified that about 150 cars of lettuce were shipped out in 1971 and 350 cars in 1972; also that 1972 was the first year that lettuce was shipped in the spring. A representative of a large farming complex operating out of Huron, Salinas, Blythe, El Centro, Brawley, and Phoenix testified he is the manager of a recently installed cooling plant in Huron which is designed to handle the produce from 3,000 acres in the fall of 1973. He testified the lettuce season in 1973 will extend from about April 6 to May 1, and from the middle of October to the end of November. He estimated that at least five large plants would be processing lettuce in Huron by the end of the year and that melon and lettuce shipments will steadily increase. He advised it seems certain new crops will be produced and shipped out of Huron in the near future. He advised that a local agent is essential to be responsible for switching full cars

from sidings after they are loaded and to replace them with empty cars, to close and seal cars holding perishable crops as soon as loaded, to insure that a sufficient number of cars arrive when due, and to act as the local representative of the railroad. A representative from a recently constructed furniture factory in Huron testified the plant will be in operation in two weeks, employ 50 people, and turn out 50 sets of furniture every week day. The plant is designed to operate at double its present capacity. It is located on a spur track and is programmed to receive and ship by rail.

Applicant's Assistant Division Superintendent testified that the shipping of lettuce or melons would be more efficiently handled by clerks than by a resident agent; the latter work only from 6:00 a.m. to 2:00 p.m. or from 8:00 a.m. to 4:00 or 5:00 p.m. under their contract of employment; clerks can be employed at any hour, probably from 12:00 noon to 9:00 p.m. while perishables are being shipped out of Huron. He testified that the railroad stops loading at 9:00 p.m., which is the end of the clerks' work day, and that applicant will provide sufficient personnel before and during the shipping season to keep the crops moving on schedule. Testimony was provided that all rail cars equipped to transport perishable crops are dispatched by Pacific Fruit Express in Fresno. The railroad agents have no authority to direct the assignment or movement of cars. A witness stated there are several nonagency stations in California where volume comparable to Huron is being handled by the procedure recommended in this proceeding. Another witness testified that labor agreements allow the removal of a maximum of five agents a year throughout the area south of Portland, Oregon, and west of Ogden, Utah, and El Paso, Texas.

Exhibit 10 shows the traffic originated and terminated at Huron during 1972. It reveals that 40 rail cars terminated at Huron and transported tractors, wire or cable, construction machinery, and pole line or transmission hardware for two consignees. Outgoing traffic consisted of cantaloupes or melons for five shippers (675 cars), lettuce for three shippers (366 cars), petroleum products for a single shipper (29 cars), barley for one shipper (14 cars), and alfalfa seeds (8 cars) for a single shipper. Cars handled totaled 1,135 on a movement of 33,778 tons and gross revenue of \$664,690.

Discussion

There is no passenger service at Huron and freight is handled by the carload. The city of Huron was the only protestant. Protestant's principal witnesses were concerned exclusively with the melon and lettuce season during April, May, July, August, September, and October. Applicant has agreed to assign sufficient personnel to Huron during these months to furnish everything an agency could provide. It seems evident that other shippers and consignees are not concerned about losing the local agent. No other protests were filed and only those who testified were present at the hearings. Under the circumstances it would be improvident to require applicant to maintain Huron as an agency station.

Findings

1. The Huron station handles freight by the carload. No passenger service is provided.
2. The agent's function is primarily to provide information, handle shipping documents, and inspect and seal cars. During the shipping season his primary duty is providing liaison between the railroad and the shippers.
3. If the Huron station is closed the Fresno office will provide a free phone service, and train conductors or the agent from Coalinga will assume the other duties performed by the Huron agent.

4. Applicant will send additional personnel to Huron on a daily basis during the shipping season; the number of men assigned will depend on the need and volume of business.

5. The Huron agent has never had authority to determine how many freight cars his agency will receive. This function is performed by an office in Fresno.

6. If the Huron agency is closed, the agent will be employed at another agency, probably Fresno.

7. Public convenience and necessity no longer require the maintenance of an agency at Huron.

8. It is reasonably certain that the project involved in this proceeding will not have a significant effect on the environment.

The Commission concludes that the application should be granted.

O R D E R

IT IS ORDERED that Southern Pacific Transportation Company is authorized to discontinue its agency and remove its station building and appurtenances from public service at Huron, Fresno County, subject to the following conditions:

- (a) Applicant shall maintain the station in a nonagency status for the receipt or delivery of freight in any quantity.
- (b) Within one hundred twenty days after the effective date of this order and not less than ten days prior to the discontinuance of the agency at Huron, applicant shall post a notice of such discontinuance at the station and, within one hundred twenty days after the effective date of this order 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 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 earlier than the effective date of the tariff filings.

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- (c) Within thirty days after discontinuance of service applicant shall give written notice to the Commission that it has complied with this order.

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

Dated at San Francisco, California, this 12th day of SEPTEMBER, 1973.

I dissent:

[Signature], Commissioner

William Synovue, Jr. President
[Signature]
[Signature] Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.