

Decision No. 83796**ORIGINAL**

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 at Placerville, County of
El Dorado, State of California.

Application No. 54596
(Filed January 24, 1974)

(Appearances are listed in Appendix A.)

O P I N I O N

Applicant Southern Pacific Transportation Company (SP) seeks authority to discontinue its agency at Placerville, El Dorado County, and maintain such station as a nonagency station. The application was protested by Wes-Cut Corporation of Diamond Springs, California, and public hearing was held on September 13, 1974 at Placerville before Examiner Banks.

SP proposes to transfer all functions now being conducted by the Placerville agent to its Sacramento traffic division. In support of its application, SP presented four witnesses and seven exhibits.

Testimony disclosed that Placerville is 43 miles from the Sacramento station. There is one employee at Placerville with operating hours from 7:00 a.m. to 4:00 p.m., 5 days per week, whereas there are 29 persons in the Sacramento traffic section with hours from 8:00 a.m. to 12:00 midnight, five days a week, with 24-hour service available. It was emphasized that all patrons can be better served at Sacramento than Placerville because of the longer business hours plus the immediate availability of rate and tariff personnel. If the application is approved a foreign exchange telephone line open 24 hours a day will be installed. This will allow shippers to reach the Sacramento agency to order cars, and obtain rate and route information, car spotting instructions, train arrival information, and car tracing information. All bills of lading will be signed by

the conductor, whereas the agent presently signs those tendered to him. Claims presently handled by the agent would be filed either in the Sacramento office or sent direct to San Francisco. Cars would be sealed by the shipper or if desired the conductor will seal them when the bill of lading is signed. Seals would be provided as at present. Damaged shipments would be inspected by Sacramento personnel. Freight bills would be handled by the zone accounting office in San Francisco as at present. Inbound order bills of lading, transit record maintenance, and demurrage records would be handled by the Sacramento office as is presently being done.

Interested shippers in and around the Placerville area were contacted by SP approximately six months prior to filing the application and advised of the railroad's plans to close the agency.

Exhibit No. 4 indicates an annual net saving to SP of approximately \$16,000. Exhibit No. 5 indicates a drop of approximately one-third in the volume of business handled at Placerville between 1972-1973, with the first six months of 1974 running at the 1973 volume. Exhibit No. 7 indicates that both originating and terminating traffic in cars, tons, and revenue were down slightly in 1973 over 1972, with the first six months of 1974 running at the 1973 level.

Letters opposed to the closing were received from the city of Placerville, the El Dorado County Chamber of Commerce, and the county of El Dorado.

A letter from the Placerville Fruit Growers Association stated that it had no objection to approving the application since its operation was seasonal and the use of railroad equipment has been declining in recent years.

Two shippers appeared and testified in opposition to granting the application. William E. Flynn, sales manager for Diamond Springs Lime Company, stated that his firm was not notified by SP of the proposed closing. Ray Waltermire of Raco Moulding stated that his concern was whether cars would be available and on time when ordered through the Sacramento office.

Eight shippers made statements on the record in opposition to the application. Each expressed skepticism concerning the reliability of SP's computer rail car inventory system, feeling that the personal contact with the local agent would be necessary to maintain the present level of service. In addition some pointed out specific incidents where the local agent was contacted and aided the shipper in a manner that could not be done if it were necessary to request service from Sacramento by telephone.

Applicant acknowledged that errors in car orders and switching had occurred but emphasized that these items were the function of railroad operations beyond the authority or control of the local agent and that such errors are corrected as quickly as possible when they are reported.

If the application is granted the agency functions will be moved 43 miles to Sacramento. The shippers biggest concern over the proposed closing is the loss of personal contact with the agent who allegedly is aware of each shipper's problem and the impersonal relationship in using the telephone.

The record discloses that except for the personal contact with the agent, SP will be able to provide the same or a superior quality of service to its Placerville patrons with substantial savings in operating costs. There is nothing to indicate that SP will restrict operations or that the local economy will suffer.

Findings

1. The Placerville agency is open eight hours a day, five days a week with one employee.
2. Applicant has applied to close the Placerville agency and to transfer the agency functions to its Sacramento traffic section approximately 45 miles away.
3. The Sacramento facility employs 29 persons and is open 16 hours per day, five days per week, with 24-hour service available.

4. The functions of the Placerville facility can be absorbed at Sacramento without inconveniencing the public.

5. Public convenience and necessity do not require the services of an agent at the Placerville station. The public can be served with a nonagency station.

The Commission concludes that the application should be granted.

O R D E R

IT IS ORDERED that:

1. Southern Pacific Transportation Company is authorized to discontinue its agency at Placerville, El Dorado County, subject to the following conditions:

- (a) Applicant shall maintain the station in a nonagency status for the receipt or delivery of freight in carload or trailerload lots only. ✓
- (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 Placerville, 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.

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

2. Applicant shall provide toll free telephone service between Placerville and its Sacramento office.

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

Dated at San Francisco, California, this 10th
day of DECEMBER, 1974.

Samuel L. Spurgeon
President
William Spurgeon J.
Thomas M. Mason
Robert E. McFarland
Commissioners

APPENDIX A

LIST OF APPEARANCES

Applicant: Harold S. Lentz, Attorney at Law, for Southern Pacific Transportation Company.

Protestants: Ray Waltermire, for RACO Moulding; Franklin K. "Budd" Lane, for El Dorado County; Robert A. Wenzel, for Placer Beverage Co.; Mark Tetrault, for City of Placerville; John Wetsel, for Wes-Cut Corporation; William E. "Bill" Flynn, for Diamond Springs Lime Co.; Arleigh W. Oliver, for Clifton & Warren; Jene L. Leslie, for El Dorado County; Owen J. Masters, for Fruit Factory; and Bob DeTour and Norman Hackerott, for Certain-Teed Products.

Interested Party: Dan Raffetto, for Raffetto Enterprises.

Commission Staff: Paul A. Burket.