

Decision No. 84992**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 St. Helena, County of
Napa, State of California.

Application No. 55581
(Filed March 24, 1975)

Harold S. Lentz, Attorney at Law, for Southern
Pacific Transportation Company, applicant.
Kirk J. Hundven, for Brotherhood of Railway
Clerks; Bernard Skoda, for Louis M. Martini
Winery; and Ronald K. Greenslate, for Napa
County Development Council; protestants.
Gregory J. Fassler, for Napa County Board of
Supervisors, interested party.
Paul A. Burket, for the Commission staff.

O P I N I O N

Applicant Southern Pacific Transportation Company (SP) here seeks authority to discontinue its agency at St. Helena, Napa County and to maintain that facility as a nonagency station.

A duly noticed public hearing was held before Examiner Tanner at St. Helena on June 10, 1975 at which time the matter was submitted.

SP proposes to conduct all necessary business from its agency located at Lombard, which is located about 25 rail miles south of St. Helena and operates 24 hours a day, seven days per week. The St. Helena agency now operates from 8:00 a.m. to noon and 1:00 p.m. to 5:00 p.m. five days per week. SP contends that no significant difference in service will result. It is SP's intent to install toll-free telephone service for their St. Helena patrons. A traveling clerk will handle the necessary personal contacts.

SP presented evidence reflecting the volume of business handled by the St. Helena agency. These data indicate an annual daily average of 3-1/2 carloads handled per day for 1973 and 1974. The total revenue generated for the same two years, excluding revenue earned from traffic stopping to partially load or unload, was \$482,688 and \$594,831, respectively. The business activity data include business generated at six nonagency stations, for which the agent at St. Helena is responsible.

An activity study of the St. Helena agency was made by SP's supervisor, operating field services. The study indicates that the agent's present duties may require as little as 30 minutes and not much more than one hour per day.

The relief sought here was opposed by the Brotherhood of Railway Clerks, Napa County Development Council, and Louis M. Martini Winery. The protestants were fearful that if the agency is to be closed, the rail service would deteriorate.

An exhibit of statistical data indicating the status of California wine shipments for the first three months of 1975 was received in evidence. That exhibit shows that for the period covered, wine shipments increased 6.9 percent compared to 1974 and 11.7 percent over 1973.^{1/} These data were presented to establish that the growth of wine production in the Napa Valley was a reality which requires adequate transportation service. The existence of the lower rail rates, as compared to truck rates, was alleged to be an essential element in the placement of California wines in markets at a price that would compete with imported wines.

The Napa County Board of Supervisors and the Napa County Development Council offered resolutions reflecting the apprehension that the loss of the St. Helena agency

^{1/} Still wine, not over 14 percent alcohol.

could result in the reduction in the quality of rail service. Both pointed to the important position such service occupies in connection with wine grapes, Napa Valley's most important product.

The record in this matter contains a number of inferences that the rail service to this area has not been particularly good. The record will not sustain protestants' position that the agency be retained. There was no evidence that agency or nonagency status is a factor in the quality of service which SP has rendered in the past or will provide in the future.

This matter has, however, unique characteristics which cannot be overlooked, yet do not have a direct bearing on the issue at hand. One is the fact that the Napa Valley is widely known as the producer of some of the world's finest wines. Secondly, the area is served by a single branch rail line and highways which are far from the freeway class. There is, therefore, an understandable tendency for the people in the valley to be somewhat less than enthusiastic about improved highways, due to the possibility that such improvement could accelerate commercial and residential development at the expense of the vineyards. The obvious desire to retain and expand the existing rail service is equally understandable, as such service would assist the area's economic position in the world's wine markets, while countering metropolitan growth.

The record in this matter includes a number of references to the alleged poor condition of the track. The representative of Louis M. Martini Winery expressed the fear that "...we just don't see how we can spend the money or justify spending the money to fix the track the way it should be with the lack of business. And so are they going to close the line."^{2/}

^{2/} Transcript, page 110. The witness was expressing his conception of SP's point of view regarding track conditions and cost of track repair.

Again there was no evidence which would show that the condition of the track would be affected by the agency or nonagency status of the St. Helena station. We would, however, admonish SP that every reasonable effort must be made to maintain its facilities in proper condition. Neglected maintenance is not proper grounds for abandonment.

We would also admonish SP to do all in its power to contribute to the maintenance of an economically healthy wine industry in the Napa Valley. California wines are one of the products this State points to with considerable pride. This interest in viniculture goes back over 100 years as is evident in the explanation of the Great Seal of California prepared for the California Constitutional Convention in 1849 at Monterey, which states in part, ". . . At her feet [Minerva] crouches a grisley [sic] bear feeding upon clusters from a grapevine emblematic of the peculiar characteristics of the country."^{3/}

Findings

1. The St. Helena agency handles only carload freight.
2. The St. Helena agency is staffed by one employee who works from 8:00 a.m. to 5:00 p.m., five days a week.
3. Applicant has applied to close the St. Helena agency and to transfer the agency functions to Lombard, about 25 miles south of St. Helena.
4. The Lombard agency is open 24 hours a day, seven days a week.
5. The administrative work handled by the St. Helena agent can be performed by the traveling clerk, train conductors, or by the shippers themselves.
6. The function of the St. Helena agency can be assumed by the personnel at Lombard without seriously inconveniencing the public.
7. Public convenience and necessity no longer require the maintenance by applicant of an agency at St. Helena.

^{3/} Caleb Lyon of Lyondale, September 26, 1849 - See California Blue Book, 1958, page 636.

The Commission concludes that Application No. 55581 be granted. ✓

O R D E R

IT IS ORDERED that:

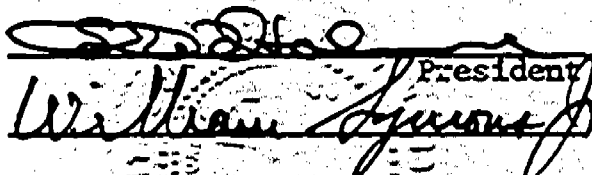
1. Southern Pacific Transportation Company is authorized to discontinue its agency at St. Helena, Napa County, subject to the following conditions:

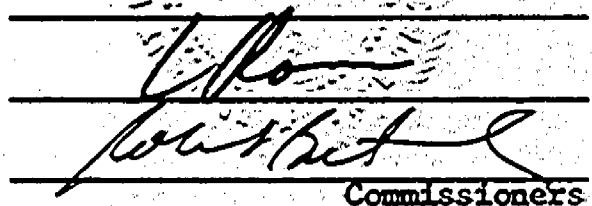
- (a) Within one hundred twenty days after the effective date of this order and not less than ten days prior to the discontinuance of the agency at St. Helena, Southern Pacific Transportation Company shall post a notice of such discontinuance at the station and, within one hundred twenty days after the effective date of this order and on not less than ten days' notice to the Commission and to the public, Southern Pacific Transportation Company 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 change. In no event shall the agent be removed earlier than the effective date of the tariff filings.
- (b) Within thirty days after discontinuance of service applicant shall give written notice to the Commission that it has complied with this order.

- (c) Southern Pacific Transportation Company shall provide toll-free telephone service between St. Helena (including the six nonagency stations now operating through St. Helena) and Lombard for its patrons.

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

Dated at San Francisco, California, this 15th
day of OCTOBER, 1975.



President


Commissioners

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