

Mailed

Decision 92-12-009 December 3, 1992

IDEC 3 1992

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of The Atchison, Topeka )  
 and Santa Fe Railway Company, Union )  
 Pacific Railroad Company and )  
 Southern Pacific Transportation )  
 Company for Approval of Restudy of )  
 the Cost of Maintaining Automatic )  
 Grade Crossing Warning Devices. )

Application 91-06-027  
(Filed June 12, 1991)

O P I N I O N

Applicants ask the Commission to review and approve the 1989 restudy of the cost of maintaining automatic grade crossing warning devices, pursuant to Appendix A of Decision (D.) 88-01-018 (mimeo., January 13, 1988) in Application (A.) 87-07-025.

No exceptions to the study or protests to the application have been received. The Commission's Railroad Safety Branch has reviewed the application and the study, and has determined that it complies with D.84-09-057 in A.82-05-05, the basic decision underlying the requirement for performance of the current study. By letter dated August 8, 1991, the California Department of Transportation (Caltrans) also accepted the results of the study.

Caltrans recommends that the requirement of restudying the costs not less than every three years be maintained, and the Railroad Safety Branch agrees. The study cites continuing improvements in the circuitry of automatic grade crossing protection devices as the reason for anticipating that these costs will continue to change. Accordingly, the three-year restudy requirement will be retained.

Findings of Fact

1. As required by Appendix A of D.88-01-018, applicants have made a study of the 1989 costs to maintain automatic grade crossing

warning devices. The full study is contained in the formal file herein.

2. No exceptions to the study or protests to the application were received by the Commission.

3. Caltrans has reviewed and accepted the study.

4. The average category costs and cost levels adopted in the 1989 study are reasonable and proper, and should be adopted by the Commission to determine the cost of maintaining automatic grade crossing protection for purposes of administering Public Utilities Code § 1231.1

Conclusion of Law

The application should be granted as set forth in the order herein, subject to the terms and conditions contained in Appendix A.

O R D E R

IT IS ORDERED that:

1. The 1989 "Study of Costs to Maintain Automatic Grade Crossing Warning Devices" is approved.

2. Future applications to revise the costs established by this study shall conform to the procedure set forth in Appendix A.

3. Billing for the share of the cost of maintenance of automatic grade crossing protection shall be submitted by the railroad to the Commission staff on a calendar-year basis. Bills shall be submitted in duplicate to the Commission staff by the railroad.

4. Upon receipt of the bill and claim, this Commission shall transmit Claim Schedule Form 218-B along with Commission staff verification to the Department of Transportation for submission to and payment by the Controller of the State of California.

5. Payment for the public agency's share of the cost of maintaining automatic grade crossing protection shall be made directly to the billing railroad.

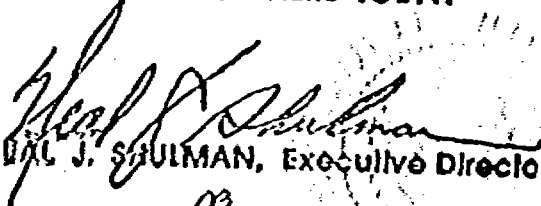
6. The application is granted as set forth above to insure that the maintenance-cost results will be submitted to the Commission by January 15, 1993, as provided in Appendix A.

This order is effective today.

Dated December 3, 1992, at San Francisco, California.

DANIEL Wm. FESSLER  
President  
JOHN B. OHANIAN  
PATRICIA M. ECKERT  
NORMAN D. SHUMWAY  
Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY

  
NEAL J. SHULMAN, Executive Director  
NB

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Requests to update maintenance costs shall be furnished to the Commission Transportation Division staff with the following information in verified form no later than January 15th of each year. The information shall be prepared and developed to include the Annual Maintenance Cost for each calendar year as required. Base data through 1992 shall be the 1989 costs set forth in the study approved herein. A new study using the same methodology shall be conducted at least every three years. Thereafter, the base data set forth in each new study shall be used in lieu of the costs set forth in the study approved herein.

The next request shall contain appropriate computations for each crossing category and should comply with the following methodology:

Association of American Railroads indices for Western Railroads shall be used to update sample period crossing costs to future year-cost levels as follows:

1. Compute the ratio of average cost levels in the current year to third quarter 1989 cost levels. This computation should be performed separately for (a) wages and wage supplements and (b) materials and supplies categories;
2. Weight the ratios derived in 1. by the percentage of cost in each category (e.g., 46% wage and wage supplements and 54% materials and supplies); and
3. Apply the weighted average ratio derived in 2. to each category of crossing, arriving at updated average annual costs.

The average cost levels for a current year will be estimated after the third quarter's actual data is released. This will be done by averaging the actual index for quarter 1, the

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actual index for quarter 2, the actual index for quarter 3, and a forecasted index for quarter 4. The forecasted index for quarter 4 will be developed by assuming that the rate of change between quarters 3 and 4 will be the same as between quarters 2 and 3 for the current year.

After applicant furnishes the verified information to the Commission's Transportation Division staff and California Department of Transportation (Caltrans) for review and if agreement is reached, staff will prepare a Resolution to be presented to the Commission for approval. If staff, Caltrans, and applicant cannot reach agreement, staff will recommend that an Order Instituting Investigation be issued and the matter be set for public hearing.

(END OF APPENDIX A)