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Decision No. ____

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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 Santa Paula, County of Ventura, State of California.

Application No. 57352 (Filed May 27, 1977)

ORIGINAL

Harold S. Lentz, Attorney at Law, for applicant. John W. Woodworth, for himself, protestant. Frank O. Haymond, Jr., for the Commission staff.

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Southern Pacific Transportation Company (SP) seeks authority to discontinue its agency at Santa Paula, Ventura County, California. The authority is requested pursuant to the provisions of the Commission's General Order No. 36-D and the provisions of Sections 701, et seq., of the Public Utilities Code. The application does not seek authority to discontinue the existence of the station at Santa Paula, which SP intends to maintain as a nonagency station. SP admits that authority to remove the station building from public service would require a separate and additional proceeding under the provisions of General Order No. 36-D.

After proper notice, a public hearing was held before Administrative Law Judge James D. Tante on July 26, 1977 at Santa Paula, California, and the matter was submitted on that date.

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The plant manager for Solo Company, the general manager of the Fillmore Piru Citrus Association, the mayor of Santa Paula, an official of the union which represents the SP agent at Santa Paula, a representative of Nutrachem, a chemical company in Santa Paula, an interested citizen, and the manager of the Santa Paula Chamber of Commerce made statements which generally opposed the application of SP, particularly if the authority sought by SP would reduce the level of service to the shippers in the Santa Paula area or would have the effect of removing the railroad depot.

A special analyst of the Bureau of Transportation Research for SP, a supervisor of operating field services for SP, and the assistant superintendent of the Los Angeles division in charge of its operating department testified for SP. The agent, presently employed by SP at Santa Paula, testified for himself.

Exhibit 1, proof of publication; Exhibit 2, notice of hearing; Exhibit 3, proposed handling of service functions at Santa Paula; Exhibit 4, statement of business handled at Santa Paula; Exhibit 5, expenses associated with operation of Santa Paula agency; Exhibit 6, estimated annual savings if Santa Paula is operated as a nonagency station; Exhibit 7, traffic and revenue summary for Santa Paula; Exhibit 8, Los Angeles division timetable; and Exhibit 9, Southern Pacific industrial numbering system, were received in evidence. Exhibit 10, a looseleaf notebook containing a statement, a copy of a letter, news clippings, and photographs pertaining to the removal or deterioration of the station building at Santa Paula, was marked for identification but not received in evidence.

The station at Santa Paula is staffed by a single employee from 8 a.m. to noon, and 1 p.m. to 5 p.m., five days a week, and the employee also works overtime as the need arises.

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The agency does not handle less-than-carload freight, railway express, Western Union messages, passenger tickets, or livestock. It does not issue train orders, does not maintain demurrage records, does not prepare waybills, does not make freight bill collections, and has no direct access to the company's central computer.

The reduction in duties of the Santa Paula agent has occurred over a number of years, but the most recent change was made by SP in May of 1977. At that time, the remaining internal record-keeping functions of the Santa Paula agent were transferred to the centralized regional agency at Oxnard. A direct toll-free telephone number to the Oxnard agency was established for the exclusive use of patrons in the area served by the Santa Paula agency and a clerk from Oxnard began calling on patrons in the Santa Paula, Fillmore, and Piru areas as needed on a daily basis. The clerk, who used a radio-equipped company vehicle, had been travelling to Santa Paula daily to pick up documents from that agency. By reason of the change in May, only a moderate amount of extra time and mileage was required for the clerk to call on patrons at their respective places of business, and this permitted the reduction or elimination of mileage payments and Saturday overtime to the Santa Paula agency, achieving a savings of approximately \$4,000 annually.

The Oxnard agency has 19 employees, is the regional central agency for an area which includes Santa Paula, is open 24 hours a day, 365 days a year, and has access to the railroad central computer. Personnel at Oxnard can respond to patrons' questions immediately concerning car routing, tracing information, and other matters, whereas the agent at Santa Paula must merely act as a relay man when a question from a patron is asked of him as he must then obtain the information from the agency at Oxnard and telephone the patron to provide the requested information. With the new toll-free telephone

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service the patron can obtain the information directly from Oxnard any time of the day or night. The train which serves the Santa Paula area originates and terminates at Oxnard, with service in the Santa Paula area being performed in the evening after the agency at Santa Paula is closed. Switch lists for this train are prepared at the Oxnard agency and therefore it is desirable to have patrons transmit car spotting instructions directly to Oxnard. The Oxnard agency, unlike Santa Paula, has radio communication with the train that serves the Santa Paula area, so that any late information or changes can ordinarily be transmitted to the train crew if a patron calls the Oxnard agency. It is desirable to have car orders placed with the Oxnard agency since all cars are now assigned through SP's computer. The centralization of record keeping, including demurrage records, also provides various other benefits as well as permitting more efficient use of personnel.

The changes undertaken in May by SP were accomplished to provide benefits for the railroad and its patrons and are not dependent upon continuance or discontinuance of an agency at Santa Paula. While there is a substantial amount of railroad business in the Santa Paula area, modern methods of handling the business and the type of business have resulted in the local agent, through no fault of his own, having very little work to do. The work to be performed by the local agent has decreased to the point where he has as little as ten minutes to less than one hour of productive work to be performed each day. The discontinuance of the agency will not result in loss of employment for the agent, but will permit SP to make better use of the agent's service in a more productive position. It will result in savings to SP of approximately \$23,000 annually over and above the savings it has already accomplished through institution of new procedures in May,

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no additional personnel will be required, and the service rendered by SP to the Santa Paula area will continue to be adequate. Findings

1. The agent at Santa Paula has less than one hour of productive work per day to be performed.

2. The services of the Santa Paula agent will be performed at the Oxnard agency with more efficiency and the public will be adequately served by the agency station at Oxnard which has 19 employees, and is open 24 hours a day, 365 days a year.

3. Discontinuing the agency at Santa Paula will result in substantial financial saving to SP without any inconvenience to the public.

4. Public convenience and necessity no longer require the maintenance by SP of an agency at Santa Paula.

The Commission concludes that the application should be granted.

O R D E R

IT IS ORDERED that:

1. The Southern Pacific Transportation Company is authorized to close its agency at Santa Paula, Ventura County, California.

2. 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 Santa Paula, 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

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authority for the change. In no event shall the agent be removed earlier than the effective date of the tariff filings.

3. Within thirty days after discontinuance of service, Southern Pacific Transportation Company shall give written notice to the Commission that it has complied with this order.

4. The authority granted herein will expire if not exercised within one year of the effective date of this order.

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

day of <u>SEDTEMRER</u>, 1977.

Commissione