

DECISIONS OF

**Pennsylvania Public Utility
Commission**

VOLUME 30



HARRISBURG, PENNSYLVANIA

1954

TABLE IV

ALLOWABLE OPERATING EXPENSES

Operation and Maintenance	\$9,745
Annual depreciation	1,120
Income taxes	1,471
Total	<u>\$12,336</u>

Deducting the allowable operating expenses of \$12,336 from operating revenues of \$15,281 leaves \$2,945 available for return. This amount is not in excess of a fair return upon a fair value finding we would be justified in making when consideration is given to the depreciated original cost of \$55,075, and depreciated trended original cost of \$140,381; THEREFORE,

IT IS ORDERED: That the complaint at C.15003 be and is hereby dismissed.

APPLICATION OF DELAWARE, LACKAWANNA AND
WESTERN RAILROAD COMPANY

Application Docket No. 77906

Abandonment of Service—Stations—Railroad Companies—Mere Financial Gain to Railroad Company—Public Inconvenience.

Minor financial gain by a railroad company cannot be considered an adequate and sufficient reason for abandonment of a railroad station; the Commission may permit the abandonment of a station only after a finding that the abandonment is necessary or proper for the service, accommodation, convenience or safety of the public and will not do so where it is clear that the involved community as a whole would be considerably inconvenienced and that everyone of the company's patrons would suffer some loss of convenience.

Gomer W. Morgan, for Delaware, Lackawanna and Western Railroad Company.

Elmer D. Christine and Charles R. Bensinger, for Order of Railroad Telegraphers, et al.

BY THE COMMISSION, *April 28, 1952:*

The Delaware, Lackawanna and Western Railroad Company maintains on its main line an agency passenger and freight station which is known as its Mount Pocono station and is located in the Borough of Mount Pocono, Monroe County, about 2.3 miles by rail and two miles by improved highway east of its agency station at Pocono Summit and about 5.7 miles by rail and 5.5 miles by improved highway west of its agency station at Cresco.

In the instant proceeding The Delaware, Lackawanna and Western Railroad Company seeks Commission approval of the abandonment of its agency passenger and freight station at Mount Pocono.

Within the 30-day period subsequent to the posting of the required notice of the abandonment of Mount Pocono station, protests were filed against approval of the instant application by 78 persons representing business firms and individuals of Mount Pocono and vicinity. A hearing was held on December 5, 1951, at which four witnesses testified in behalf of the applicant and 17 witnesses testified in behalf of the protestants.

The record shows that the station at Mount Pocono serves an area which is both commercial and residential in character, and has a summer population of about 3,000 to 4,000 persons and a year-round population of about 725 persons.

There are a number of retail food stores, novelty shops, and hotels and boarding houses in the community, as well as a liquor store, an office of Pennsylvania Power & Light Company, an exchange of The Bell Telephone Company of Pennsylvania, a State police station, mink and mushroom farms, a second-class United States Post Office, and a Western Union telegraph office.

The agent at Mount Pocono station is on duty from 8:30 a. m. to 5:30 p. m., except Saturdays and Sundays, and his duties are to receive and deliver carload and less-than-carload freight; to collect freight charges and perform accounting work incidental thereto; to handle baggage and to sell passenger tickets. The agent is also agent for

Railway Express Agency, Incorporated, and in addition, handles Western Union telegrams.

The station facilities at Mount Pocono include the station building and a public delivery track.

Passenger train service at Mount Pocono consists of two trains in each direction between Scranton, Stroudsburg, New York and Philadelphia, daily, except Sunday. One westbound train does not operate on Sunday. In addition to the passenger train service afforded by The Delaware, Lackawanna and Western Railroad Company, the Borough of Mount Pocono is also served by the motor bus facilities of Greyhound Bus Lines and Martz Bus Lines, operating between Scranton, Wilkes-Barre, New York and Philadelphia.

Applicant's Exhibit Nos. 6 and 7 show the total number of passengers and revenue credited to Mount Pocono station for the years 1948, 1949, 1950, and first nine months of 1951 to be as follows:

Year	<i>Inbound</i>		<i>Outbound</i>		<i>Total Passenger Revenue</i>
	<i>No. Passengers</i>	<i>Revenue</i>	<i>No. Passengers</i>	<i>Revenue</i>	
1948	3,000	\$7,912.60	2,188	\$4,138.83	\$12,051.43
1949	2,395	6,004.66	1,833	3,753.17	9,757.83
1950	2,065	5,334.67	1,233	2,565.75	7,900.42
1951—9 mo.	1,074	2,775.38	810	1,763.62	4,539.00
Totals ..	8,534	\$22,027.31	6,064	\$12,221.37	\$34,248.68

Applicant's Exhibit Nos. 9-A and 9-B, showing the number of inbound and outbound carload and less-than-carload freight shipments, and the amounts of miscellaneous and gross revenues derived from the operation of Mount Pocono station, together with the portions of such revenues credited solely to The Delaware, Lackawanna and Western Railroad Company, for the years 1948, 1949, 1950, and the first nine months of 1951, are summarized as follows:

Year	<i>Carload</i>				<i>Less-than-carload</i>			
	<i>Inbound</i>		<i>Outbound</i>		<i>Inbound</i>		<i>Outbound</i>	
	<i>No.</i>	<i>Revenue</i>	<i>No.</i>	<i>Revenue</i>	<i>No.</i>	<i>Revenue</i>	<i>No.</i>	<i>Revenue</i>
1948	42	\$14,180.16	1	\$124.53	488	\$2,990.86	31	\$219.09
1949	18	4,663.38	0	0	411	1,570.50	48	310.54
1950	56	15,337.02	0	0	405	2,062.23	24	234.14
1951— 9 mo..	11	2,582.10	0	0	262	1,685.94	18	80.42

<i>Year</i>	<i>Miscellaneous Revenue</i>	<i>Total Gross Revenue</i>	<i>The Delaware, Lackawanna and Western R. R. Co.'s Portion</i>
1948	\$15.65	\$17,530.29	\$5,758.06
1949	19.12	6,563.54	2,752.61
1950	82.75	17,716.14	10,958.40
1951—9 mo.	24.12	4,372.58	1,995.74

Recapitulating the above exhibits, the total annual freight and passenger revenue credited to Mount Pocono station for the years 1948, 1949 and 1950, and first nine months of 1951, is shown to be as follows:

<i>Year</i>	<i>Revenue</i>		<i>Total Revenue</i>
	<i>Freight</i>	<i>Passenger</i>	
1948	\$17,530.29	\$12,051.43	\$29,581.72
1949	6,563.54	9,757.83	16,321.37
1950	17,716.14	7,900.42	25,616.56
1951—9 mo.	4,372.58	4,539.00	8,911.58

The record also shows that applicant's agent at Mount Pocono handled 5,198 shipments producing revenues of \$14,992.69 for Railway Express Agency, Incorporated, for the period between October, 1949 and September, 1951, inclusive, at a total agency expense of \$1,647.50.

A witness for the applicant testified that the annual salary of the agent at Mount Pocono station is \$3,562.08 the annual cost of light, heat and water is \$430, and the annual cost of maintenance of the station is \$235. This total annual cost of \$4,227.08 required to maintain the agency at Mount Pocono would be saved in event of approval of this application.

A witness for the applicant testified that all less-than-carload shipments at Mount Pocono station are handled by motor truck service operating out of Scranton on Mondays, Wednesdays and Fridays. Carload freight is delivered daily to the public delivery track at the station. If the application is approved, applicant will retain the public delivery track and will continue to provide carload freight service at this station on a prepaid basis. Patrons now using Mount Pocono station will be able to secure similar service at Pocono Summit station of applicant.

A Director of the Biological Division of the National Drug Company at Swiftwater testified for the protestants that the drug company received at the Mount Pocono station during the period from May, 1949 to May, 1951, approximately \$2,200 worth of freight and express shipments which were paid for at the station, and that the removal of the station would be an inconvenience, particularly during the winter months. Swiftwater and Mount Pocono are connected by a four-lane highway known as U. S. Route No. 611.

The Postmaster at Mount Pocono testified that he has been postmaster since September 16, 1947; that he receives all the mail through the Mount Pocono station which is located approximately 800 feet distant from the post office while the Pocono Summit station is about 2.6 miles distant. This witness also testified that Pocono Summit is a Fourth Class Office and is not equipped to handle additional mail.

The Postmaster at Swiftwater testified that all inbound mail scheduled for Swiftwater and Scotrun is delivered through the Mount Pocono station; that the post office at Mount Pocono acts as a separation post office for Swiftwater and Scotrun; and that removal of the Mount Pocono station would cause delays during the winter season.

The President of the Borough Council of Mount Pocono testified in behalf of the protestants that Mount Pocono station is located in a community which is a summer vacation resort and that the black top highway between Mount Pocono and Pocono Summit is impassible at times during the winter. However, on cross-examination, the witness testified that during the winter time of 1950 the road between Mount Pocono and Pocono Summit was closed for only a half a day at a time and that the road was closed completely to traffic only once during the past seven years.

The manager of Sky Line, Inc., a hotel located in Mount Pocono, testified in behalf of the protestants that the hotel accommodated 175 patrons who used the Mount Pocono station for passenger, freight and express service. The witness further testified that the Mount Pocono station was only a five-minute walk from the Sky Line, Inc., and that the abandonment of the station at Mount Pocono would be an inconvenience to the patrons of the hotel. The witness also stated that at times it was more convenient for the hotel's patrons to take the evening train (Phoebe Snow) out of Pocono Summit to Hoboken, New Jersey.

The treasurer of Mount Pocono Chamber of Commerce testified in behalf of the protestants that he has been a resident of the community since 1914. He stated that the agent at Mount Pocono station was on duty seven days a week in June, 1944, and that now the agent's service is reduced to five days a week. He also testified that it appears that service provided by Greyhound Bus Lines to and from Mount Pocono has not been satisfactory due to a number of complaints received from guests at resort hotels. This witness further testified that the abandonment of the station at Mount Pocono would be detrimental to the whole community and would cause real estate values to decline.

The operator of Hawthorne Inn and cottages, who testified that he has been in business since 1916, has advertised through the "Mountain and Lake Resorts" pamphlet published by The Delaware, Lackawanna and Western Railroad Company as a joint promotional arrangement for the railroad company and the resorts stated that closing of the Mount Pocono station would be an inconvenience to his guests.

A housewife testified for the protestants that if railroad service were made more convenient a greater portion of the resort patrons would take advantage of the railroad service to Mount Pocono.

The testimony of eight additional protestants was substantially the same as that of the above witnesses.

While the record discloses that applicant would save about \$4,227 annually if the station at Mount Pocono was abandoned, minor financial gain alone cannot be considered an adequate and sufficient reason for abandonment of the station. We may evidence by certificate our approval of the abandonment of the station only after a finding that the abandonment is necessary or proper for the service, accommodation, convenience or safety of the public. The record is clear that if the station at Mount Pocono is abandoned the community as a whole would be considerably inconvenienced and that everyone of applicant's patrons at Mount Pocono will suffer some loss of convenience.

Upon full consideration of the matters and things involved, we find that the proposed abandonment of the station of The Delaware, Lackawanna and Western Railroad Company at Mount Pocono, Borough of Mount Pocono, Monroe County, is not necessary or proper for the service, accommodation, convenience or safety of the public; **THEREFORE,**

IT IS ORDERED: That the prayer of the instant petition be and is hereby denied.

Commissioner Houck voted in the negative.

NICHOLAS N. PERRY and JOSEPHINE PERRY

v.

MANUFACTURERS LIGHT & HEAT COMPANY

Complaint Docket No. 15638

Service Adequacy—Gas Companies—Gas Operating Service—Priorities—Remodeling of Building—Tariff Regulations.

Two consumers remodeled a building by constructing a new foundation, and almost entirely a new basement, by reconstructing the entire second floor and installing a central heating system where before there was none; held a natural gas company was within its rights in ordering the consumers to discontinue violating the company's tariff regulations providing a system of priorities under which applications for new space heating service are classified on the ground that the remodeling so changed the character of the building as to constitute a new structure requiring a new heating system.

Gas Heating—Replacement of Equipment—Service Adequacy—Priorities

To replace a 55,000 Btu portable heater limited in use to one room with a central heating plant consisting of two 150,000 Btu gas-fired boilers cannot be considered a mere replacement of obsolete equipment.

Barletta and Reeher by *Michael Barletta*, for Complainants.

Thorp, Reed and Armstrong by *Clyde A. Armstrong*, for Manufacturers Light and Heat Company.