

DECISIONS OF

Pennsylvania Public Utility Commission

VOLUME 40



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1963

2. That a certificate of public convenience issue evidencing the Commission's approval of the beginning by Joseph Banko and Raymond J. Fassman of the furnishing of water service to the public in a designated portion of Hanover Township, Northampton County, as fully described in the application, subject to the condition that applicants obtain a permit from the Department of Health of the Commonwealth of Pennsylvania before water service is offered to the public.

APPLICATION OF ERIE-LACKAWANNA RAILROAD
COMPANY

APPLICATION DOCKET No. 89837

Abandonment of Service—Railroad Company—Stations—Agency Status—Factors Considered.

A railroad company was refused permission to change the agency status of one of its stations where the record disclosed a substantial increase in gross revenues from present operations at the station, there was no allegation of insufficiency of revenues to support the agency service, the proposed saving resulting from the elimination of the local agent appeared slight when compared to gross revenue received, a loss of the immediate personal services of the local agent would result, and local passengers would probably lose their shelter upon disposal of the station building.

Warren, Hill, Henkelman and McMenamin by *Cody H. Brooks* for
Erie-Lackawanna Railroad Company.

Elizabeth Ehrlich for Larimer and Norton, et al.

George F. Edwards for Order of Railroad Telegraphers, et al.

BY THE COMMISSION, *June 10, 1963*:

This matter is before the Commission upon application of Erie-Lackawanna Railroad Company for approval of a change in the status of its station in the Borough of Moscow, Lackawanna County, from that of an agency station to that of a nonagency carload only freight

station. Protests were filed by the Borough of Moscow and several local shippers against Commission approval of the application.

At the public hearing held at Scranton on March 7, 1963, one witness testified on behalf of the applicant and two of its exhibits were entered into the record. Five witnesses were heard in protest. A brief was filed by the applicant.

The population of Moscow Borough is approximately 1,250, but this does not include the entire service area served by the station. Applicant alleges that there are six principal industries in the borough and that they are on the applicant's credit list.

The station is located within the borough at Mile Post 120.58 on applicant's Scranton Division, 13 miles via public highway east of its agency station at Scranton and 13 miles via highway west of Tobyhanna. The local station agent is on duty between 7 a.m. and 10 a.m. and between 10:30 a.m. and 3:30 p.m., Mondays through Fridays, except holidays. The agent presently handles freight and passenger traffic. Moscow is also the governing station for the nonagency Elmhurst freight station.

Carload freight presently is handled in local freight train service Mondays through Fridays, except holidays. No local pickup or delivery service is provided. Passenger trains Nos. 40 and 41 make regular stops, and tickets are sold by the agent.

Applicant proposes, upon approval of the application, that its agent at Scranton would have jurisdiction over the herein involved Moscow and Elmhurst stations. Carload freight would be handled, as at present, by the train crew, and all business transactions for credit list patrons, and damage claims would be made through the Scranton agency. Passenger tickets would be purchased on the trains. In addition, Scranton station employees would travel daily to Moscow to yardcheck and handle freight bills of lading. Less-than-carload shipments would be handled directly at Scranton. There is no telephone toll charge between Moscow and Scranton. The applicant will either sell or lease the entire station building. The Scranton agency is staffed with an agent and nine clerks and has under its jurisdiction six nonagency stations, namely, Jessup, Avoca, Mayfield, Taylor, Olyphant, and Dickson City.

Motor truck common carriers serve the area.

A recapitulation of applicant's exhibits, purporting to show the operating results at Moscow station, follows:

Year	PASSENGER		CARLOAD		LESS CARLOAD		Total Gross Revenues*
	Number	Revenue	Number	Revenue	Number	Revenue	
1959	444	\$461	312	\$45,230	199	\$1,099	\$46,790
1960	400	521	302	42,642	184	905	44,060
1961	269	307	267	37,110	101	521	37,938
1962	300	353	320	69,462	79	431	70,246

* Applicant alleges that its share is approximately 43.5 per cent, calculated on mileage, the remainder accrues to other railroads.

Note: These figures do not include revenue from railway express. Western Union telegrams were discontinued November 30, 1960.

The annual cost of operating the Moscow agency is \$6,939. The proposed savings would be reduced by applicant's aforesaid proposal to send an employee to Moscow and would result in an anticipated saving of \$6500.

The manager of the local Co-Operative G.L.F. Exchange, Inc., the major user of applicant's freight facilities in Moscow and a protestant, testified, among other things, that the exchange has approximately 200 patrons and that it receives approximately 10 to 12 railroad cars of feed a month. The witness testified concerning the convenience of having the local agent, that he notifies the consignee of the arrival of freight cars, directs the local train crew where the cars are to be placed, inspects cars for damage, properly locks or seals the cars in the evening, if they are not unloaded, and handles the involved business transactions. The witness stressed the importance of properly spotting the cars at the exchange's bulk unloading elevator, inasmuch as cars, on occasions, are placed at night when they are supervised by the local agent. The witness "doubts" that this could be adequately performed by the Scranton agent. The witness further testified that another shipper occasionally uses its bulk elevator, and others use the siding track, which, on occasions, requires the relocation of its freight cars, resulting in delay and possible demurrage charge. Under cross-examination the witness, among other matters, testified that in the event the train crew, in the absence of the local agent, were to properly place its cars it may be satisfactory.

A local poultry farmer testified that he is a member of the aforesaid farmers' co-operative which handles the local transportation of his bulk feed, with its special equipment.

Another protestant, in the feed and supply business and located in Moscow, testified in favor of the continuance of the local agent,

who supervises the placement of cars and inspects damaged shipments without delay. Certain carload shipments are received by order bill of lading with sight draft attached which require payment prior to unloading the car. The remainder of the shipments are handled by a straight bill of lading. The witness further testified that on occasions he receives less-than-carload shipments which are handled in a portion of a freight car and that upon removal of his shipment the car is sealed and sent to its next destination. Under cross-examination, the witness questioned the feasibility of the Scranton agent handling the order bill procedure and other matters.

Another protestant testified, among other things, that he ships veneer logs and the shipments are dependent upon proper timing. The buyer, who travels by aircraft and is transported from and to the airport in the protestant's car, inspects and stamps the logs, while they are loaded on properly spotted open gondola cars, and upon completion of this operation, if a signed bill of lading is immediately available, the protestant receives cash payment, which has amounted to \$3,000 to \$5,000 per shipment; otherwise he must wait 23 to 35 days for payment. The witness alleges that the customer will not countenance any delay in the aforesaid procedure. Under cross-examination he testified, among other things, that upon the discontinuance of the local agent, but depending on the time element, he could stop at the Scranton agency for the bill of lading.

Another local protestant, a manufacturer of billets (rough baseball bats), testified that his shipments are outbound carload, which occur every other week; however, some months the shipments are weekly. The witness is in favor of retaining the present local agent due to his immediate preparation of the bills of lading, which must be signed before the car is shipped, and proper spotting of cars in a remaining small space, due to the aforesaid protestants' activities.

While the operation of Railway Express Agency, a separate corporation, was injected into the hearing, it is not a proper subject matter in the instant proceeding.

In summary, the record discloses a substantial increase in gross revenues as the result of present operations at the Moscow station. There is no allegation that the revenues are insufficient to support the agency service. Applicant's proposed saving by the elimination of the local agent, and in lieu thereof sending an agent daily to Moscow, appears slight when compared to the gross revenues received, and not comparable with the inconvenience that would result by the loss

of the immediate personal services of the local agent, and the resultant handling of freight business transactions through the Scranton agency, located at a distance of 13 miles. In addition, less-than-carload patrons would be required to travel to the aforesaid Scranton agency, local passengers would probably lose their shelter and be required to purchase tickets elsewhere upon applicant's disposal of its station building.

Accordingly, upon full consideration of the matters and things involved, we find and determine that approval of the instant application is neither necessary nor proper for the service, accommodation, convenience, or safety of the public; THEREFORE,

IT IS ORDERED: That the application of Erie-Lackawanna Railroad Company, docketed at A. 89837, be and is hereby denied.

RULES ISSUED AGAINST S. M. FOX, ET AL. t/a THE PENN-NEW JERSEY TRANSPORTATION COMPANY

APPLICATION DOCKET NOS. 33998, FOLDER 1, AND 87088, FOLDER 2, AM-D

Abandonment of Service—Trucking Companies—Service and Facilities—Certificate Rights—Transfer Applications.

Held, a trucking company had abandoned and discontinued all transportation service for large food store but had not abandoned or discontinued the transportation of paper and paper products by authority of other certificate rights, that necessity continued for the latter service and the inclusion of the active rights for transfer in the application filed by another trucking company was proper.

John M. Watkins for Public Utility Commission.

Russell Wolfe for S. M. Fox, t/a Penn-New Jersey Transportation Company.

Paul Winokur for Lomar Transportation Company.

BY THE COMMISSION, *June 17, 1963*:

The Commission, on April 1, 1963, entered a Rule at A. 33998, Folder 1, against S. M. Fox, t/a The Penn-New Jersey Transporta-