DECISION MEMORANDUM

TO:COMMISSIONER NELSON

COMMISSIONER SMITH

COMMISSIONER HANSEN

MYRNA WALTERS

TONYA CLARK

RON LAW

GARY RICHARDSON

WORKING FILE (Pat)

FROM:DON HOWELL

DATE:SEPTEMBER 27, 1995

RE:UP’S APPLICATION TO CLOSE ITS IDAHO FREIGHT AGENCIES, CASE NO. UP-RR-95-4

In July 1995, UP filed an Application to close its seven remaining freight agencies in Idaho and transfer their functions to the NCSC in St. Louis, Missouri.  UP currently maintains local agency customer services at Aberdeen, Idaho Falls, Montpelier, Parma, Pocatello, Sandpoint/Bonners Ferry, and Weiser/Payette.  The Railroad requested that the Application be processed under Modified Procedure without public hearings.  After receiving a list of Idaho customers, the Commission issued a Notice of Application dated August 3, 1995.  A copy of the Notice was served on those Idaho customers who had shipped or received rail freight between April 1994 and April 1995.

Thus far, intervention has been granted to the Idaho Joint Rail Labor Legislative Board.  In its Petition to Intervene, the Board requested that the Commission hold public hearings in this matter.

The Commission has also received correspondence from several shippers and communities.  Those communities requesting public hearings include Dover, Ponderay, and the City of Kootenai.  Several shippers have submitted comments and requests for public hearings including  Louisiana-Pacific Corporation (both Sandpoint and Rexburg facilities); Boise Cascade Building Materials in Idaho Falls; and Ash Grove Cement in Inkom.  Two of the shippers’ letters were identical form letters.

Prior Proceedings

This Application is the latest of several UP Applications seeking closure of its freight agency stations in Idaho.  In December 1983, UP requested permission to close 27 one-man freight agencies throughout Idaho.  The Railroad requested permission to transfer the agency functions to four regional customer service centers (CSCs) located in Pocatello, Idaho Falls, Nampa, and Spokane, Washington.  In August 1985, the Commission authorized the temporary closure of 17 one-man agencies and permitted the Railroad to consolidate their functions into the four regional CSCs on a one-year trial basis.  The Commission also directed that the Railroad maintain ten existing freight agencies.

In September 1987, UP filed another Application to permanently close its one-man freight agencies as well as the four regional CSCs.  UP sought authority to transfer the remaining agencies and the CSC functions to a single-service center—the NCSC in St. Louis.  After extensive public hearings, the Commission permitted the Railroad to permanently close 16 agencies; reorganize the four CSCs into smaller, one-man customer service offices; and ordered the retention of 14 agencies.  This Order resulted in 18 single-person agencies.

In recent years, the number of agencies has been reduced by individual office closures or the sale of branch lines to short-line railroads.  As previously mentioned, there currently exists seven customer service agencies in Idaho.

In the two prior Applications to close all freight agencies, the Commission held public hearings across the state.  In the 1987 Application, the Commission held public hearings in Pocatello, Idaho Falls, Twin Falls, Boise, Sandpoint, Moscow, and Blackfoot.  In prior Applications to close individual agencies, the Commission usually has conducted a public hearing in the community where the agency is located.

Commission Decision

Does the Commission wish to hold public hearings in this matter?  If yes, where does the Commission desire to hold public hearings?

If hearings are scheduled, does the Commission wish to take prefile testimony?

DON HOWELL

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