

DM

Decision No. 14733.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PALOS VERDES TRANSPORTATION COMPANY.)
a corporation, for a certificate of)
public convenience and necessity and)
for a certificate authorizing it to) Application No. 10848
sell and issue 150 shares of its cap-)
ital stock.)

Musick, Burr and Pinney,
by C. E. Musick, for Applicant

SHORE, Commissioner:

ORIGINAL

O P I N I O N

In this application Palos Verdes Transportation Company asks permission to establish service for the transportation, for hire, of passengers and freight between Redondo Beach and Palos Verdes Estates and intermediate points and to issue and sell, at par for cash, 150 shares of its common capital stock of the aggregate par value of \$15,000.00 for the purpose of acquiring equipment.

A public hearing was held in this matter, at which time the application was amended so as to eliminate the request for permission to transport freight. The matter was submitted and is now ready for decision.

It appears that Palos Verdes Transportation Company was organized on or about December 9, 1924 primarily for the purpose of

establishing service for the transportation of passengers from Redondo Beach to Palos Verdes Estates, a new district now being opened about two miles south of Redondo Beach. The routes it proposed to follow and the rates to be charged are set forth in Exhibit "B" and Exhibit "B-2", filed in this proceeding, as follows:-

Proposed Fares and Rates for Passenger Service

10¢ Zone.

Beginning at Pacific Avenue, Redondo, to include Pacific Avenue, Esplanade, Redondo and Wilmington Highway, Huntington property, Granvia La Costa, Via Anita, Via Alameda, Granvia Valmonte, Via Campesina, Via Del Monte, Via Nogales, Via Salamantes, Via Zurita, Dolores Plaza, Via Coronel, Granvia La Costa, entrance Palos Verdes Estates.

5¢ Zone.

Beginning at entrance Palos Verdes Estates, to include Granvia La Costa, Via Anita, Via Alameda, Granvia Valmonte, Via Campesina, Via Del Monte to intersection of Via Nogales and Via Mirabel, Granvia La Costa to intersection of Granvia La Costa and Via Coronel.

5¢ Zone.

Beginning at Pacific Avenue, Redondo, to include Pacific Avenue, Esplanade, Redondo and Wilmington Highway to intersection of Catalina Avenue and Huntington Road.

The proposed fares, tariffs and rates of charges for passage from one zone into any other zone or zones will be in the sum of ten cents.

At present Motor Coach Company is engaged in operating Automobile stages for the transportation of passengers within the City of Redondo Beach. There has been filed in this proceeding a stipulation duly signed by the president and secretary of applicant and of Motor Coach Company in which Motor Coach Company waives any and all grounds of protest to the granting of this application, provided that in the event the application be granted there be inserted in the order of the Commission a restriction against the doing of any local business by applicant over any

portions of the routes proposed to be served in so far as such proposed routes parallel the existing lines of Motor Coach Company, that is, along Pacific Avenue, Esplanade and Redondo and Wilmington Boulevard, all within the City of Redondo Beach.

It has been reported to the Commission in^a/former proceeding that the Palos Verdes Estates consists of about 3200 acres, which have been divided into 6,000 lots. It appears that about sixty percent of the lots have now been sold, that about thirty-five families are now living in the district and that an extensive building program is underway. Applicant reports that at present there are no stage or truck lines, steam railroads or electric railways operating from Redondo Beach to the district and it therefore alleges that present and future public convenience and necessity require the service it now proposes.

The company reports that in its opinion one automobile stage will be sufficient to meet the present demand for service. It therefore intends to acquire, at this time, for approximately \$5,450.00, a 1925 twenty-two passenger Reo bus, and later to add additional equipment as needed. It further proposes to use approximately \$225.00 to purchase three chauffeur's uniforms, making a total expenditure at this time of approximately \$5,675.00.

Applicant plans to finance the cost of the equipment through the sale of its stock. It asks permission at this time to issue and sell \$15,000.00 of common capital stock at par for cash to Bank of America, Trustee of the Palos Verdes Estates, although it is not in a position to definitely advise the Commission of the purposes for which all the proceeds to be received will be expended. The order herein will therefore provide that all pro-

ceeds in excess of approximately \$5,675.00 may be expended only when and as hereafter authorized by the Commission in subsequent orders.

I herewith submit the following form of order:-

ORDER

Palos Verdes Transportation Company having applied to the Railroad Commission for a certificate of public convenience and necessity and for an order authorizing the issue of stock, a public hearing having been held and the Commission being of the opinion that the application should be granted as herein provided,

The Railroad Commission of the State of California hereby declares that public convenience and necessity require the operation of an automobile stage service for the transportation of passengers between the City of Redondo Beach and Palos Verdes Estates, as indicated in the foregoing opinion, provided, however, that no local passengers be carried over any portions of the routes proposed in so far as such routes parallel the existing lines of Motor Coach Company, that is, along Pacific Avenue, Esplanade and Redondo and Wilmington Boulevard within the City of Redondo Beach, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be, and it is hereby, granted to Palos Verdes Transportation Company.

IT IS HEREBY FURTHER ORDERED that Palos Verdes Transportation Company be, and it is hereby, authorized to issue and sell, at par for cash, 150 shares of its common capital stock of the aggregate par value of \$15,000.00.

The authority herein granted is subject to the following conditions:-

1. Within 30 days from the date hereof applicant shall file with the Commission its written acceptance of the certificate herein authorized, and shall also file, in duplicate, its tariff of rates and time schedules, such tariff of rates and time schedules to be identical with those attached to the application herein.
2. The rights and privileges herein authorized may not be discontinued, sold, leased, hypothecated, transferred or assigned unless the written consent of the Railroad Commission is first secured.
3. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or leased by it under a contract or agreement on a basis satisfactory to the Railroad Commission.
4. Applicant may use approximately \$5,675.00 of the proceeds to be received from the sale of the stock herein authorized to finance the cost of the equipment to which reference is made in the foregoing opinion. The remaining proceeds may be expended only for such purposes as the Commission might authorize in subsequent orders.
5. Applicant shall keep such record of the issue, sale and delivery of the stock herein authorized and of the disposition of the proceeds as will enable it to file, on or before the 25th day of each month a verified report, as required by the Railroad Commission's General Order 199

No. 24, which order in so far as applicable, is made a part of this order.

6. The authority herein granted will become effective upon the date hereof.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

DATED at San Francisco, California, this 4th day of April, 1925.

H. A. Brundell

C. Leavelle

Egerton Shore

George D. Squires

Commissioners.