

Decision No. 19668

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
LOS ANGELES RAILWAY CORPORATION, a
corporation, and Pacific Electric
Railway Company, a corporation, for
a certificate of public convenience
and necessity to operate motor coach
passenger service under the name of
Los Angeles Motor Coach Company between
Fifth and Hill Streets, in the City of
Los Angeles, and Wilshire Boulevard
and Santa Monica Boulevard, in the
City of Beverly Hills, California; and
to discontinue certain operations now
conducted by each of said parties.

Application No. 14590

BY THE COMMISSION -

OPINION and ORDER

This proceeding is an application by Los Angeles Railway Corporation and Pacific Electric Railway Company, each of which is a corporation, for a certificate of public convenience and necessity to operate, under the name of Los Angeles Motor Coach Company, a motor coach service between Los Angeles and Beverly Hills and intermediate points. Applicant Pacific Electric Railway Company also asks authority to discontinue operation of certain motor coach service between the intersection of Wilshire Boulevard and Fairfax Avenue in the City of Los Angeles and Wilshire Boulevard and Canon drive in the City of Beverly Hills, which service parallels, in part, that proposed to be established under authority of the certificate herein sought. Applicants also propose to operate, by said Los Angeles Motor Coach Company, a service for the transportation of passengers from 5th and Hill Streets to Wilshire Boulevard and along that thoroughfare to McCarthy Vista, thence to the entrance of the Carthay Circle Theatre at Mc Carthy Vista and Eulalia Boulevard and, in conjunction with the proposed Wilshire Boulevard line, a shuttle motor coach service between Wilshire Boulevard and La Brea Avenue and La Brea Avenue and Edgewood Avenue. Both of the last described

operations are entirely within the City of Los Angeles and are now being performed by Los Angeles Railway Corporation, which service it desires to discontinue.

The rates to be charged and the service to be given under the certificate of public convenience and necessity herein applied for are shown in Exhibits "A" and "B", which are attached to the application herein. The equipment proposed to be used is described in paragraph VII of said application. Pasadena-Ocean Park Stage Line, which operates over part of the route proposed to be served by applicants, has waived opposition to granting of the certificate herein prayed for.

We are of the opinion that this is a matter in which a public hearing is not necessary and that the application should be granted as prayed for, without the necessity of passing at this time upon any question of jurisdiction. It appears that applicants herein have jointly agreed to operate a motor bus service in the City of Los Angeles, the agreement (see Decision No. 12826, dated November 14, 1923, and issued on Application No. 9516) providing that each shall furnish one half of the necessary equipment and divide receipts and expenses of maintenance of operation. Acting as joint agents, the respective general managers of the applicant corporations conduct the business of motor bus transportation operated under the fictitious name of the Los Angeles Motor Bus Company.

Pacific Electric Railway Company and Los Angeles Railway Corporation are hereby placed upon notice that "Operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any

time by the state which is not in any respect limited to the number of rights which may be given.

O R D E R

IT IS HEREBY ORDERED that the Pacific Electric Railway Company be and it is hereby authorized to discontinue its motor coach service on Wilshire Boulevard between Fairfax Avenue and Canon Drive, which service is now being conducted under authority of a certificate of public convenience and necessity dated May 23, 1925, and granted by our Decision No. 14970 on Application No. 10899.

IT IS HEREBY FURTHER ORDERED that the Los Angeles Railway Corporation be and it is hereby authorized to discontinue its present motor coach service within the City of Los Angeles over the following routes, to-wit:

Commencing at Fifth and Hill Streets, thence south on Hill Street to Eighth Street, west on Eighth Street to Lake Street, north on Lake Street to Seventh Street, west on Seventh Street to Park View Avenue, north on Park View Avenue to Wilshire Boulevard, west on Wilshire Boulevard to Wilshire Boulevard and McCarthy Vista, thence southwesterly on McCarthy Vista to entrance to the Carthay Circle Theatre at McCarthy Vista and Eulalia Boulevard.

Commencing at Wilshire Boulevard and La Brea Avenue, south on La Brea Avenue to Edgewood Avenue, west on Edgewood Avenue to Redondo Boulevard, north on Redondo Boulevard and La Brea Avenue to West Eighth Street, east on West Eighth Street to Sycamore Avenue, north on Sycamore Avenue to Wilshire Boulevard, west on Wilshire Boulevard to La Brea Avenue.

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity be and the same is hereby granted to Los Angeles Railway Corporation and Pacific Electric Railway Company, operating under the fictitious name of Los Angeles Motor Coach Company, for the operation of an automotive passenger stage service within the City of Los Angeles and between the cities of Los Angeles and Beverly Hills over and along the following routes, to-wit:

1. Commencing at Fifth and Hill Streets, in the City of Los Angeles, thence south on Hill Street to Eighth Street, west on Eighth Street to Lake Street, north on Lake Street to Seventh Street, west on Seventh Street to Park View Avenue, north on Park View Avenue to Wilshire Boulevard, west on Wilshire Boulevard to intersection of Wilshire Boulevard and Santa Monica Boulevard in the City of Beverly Hills, California;

Returning, reverse of above route to Eighth and Olive Streets, in the City of Los Angeles, thence north on Olive Street to Fifth Street, east on Fifth Street to Hill Street, point of beginning;

2. Commencing at Fifth and Hill Streets, in the City of Los Angeles, thence south on Hill Street to Eighth Street, west on Eighth Street to Lake Street, north on Lake Street to Seventh Street, west on Seventh Street to Park View Avenue, north on Park View Avenue to Wilshire Boulevard, west on Wilshire Boulevard to Wilshire Boulevard and McCarthy Vista, thence south-westerly on McCarthy Vista to entrance to the Carthay Circle Theatre at McCarthy Vista and Eulalia Boulevard, in the City of Los Angeles, California;

Returning, reverse of the above route to Eighth and Olive Streets, thence north on Olive Street to Fifth Street, east on Fifth Street to Hill Street, point of beginning;

3. Commencing at Wilshire Boulevard and La Brea Avenue, south on La Brea Avenue to Edgewood Avenue, west on Edgewood Avenue to Redondo Boulevard, north on Redondo Boulevard and La Brea Avenue to West Eighth Street, east on West Eighth Street to Sycamore Avenue, north on Sycamore Avenue to Wilshire Boulevard, west on Wilshire Boulevard to La Brea Avenue;

subject to the following conditions:

1. Applicants shall file their written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from the date hereof, to which acceptance shall be attached their duly certified articles of co-partnership, together with a certified copy of a duly recorded notice of operation under a fictitious name.

2. Applicants shall file, in duplicate, within a period of not to exceed twenty (20) days from the date hereof, tariff of rates and time schedules, such tariffs of rates and time schedules to be identical with those attached to the application herein, or rates and time schedules satisfactory to the Railroad Commission, and shall commence operation of said service within a period of not to exceed thirty (30) days from the date hereof.

3. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer, or assignment has first been secured.

4. No vehicle may be operated by applicants herein unless such vehicle is owned by said applicants or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.

5. Authority granted herein to Pacific Electric Railway Company to discontinue motor coach service on Wilshire Boulevard between Fairfax Avenue and Canon Drive, which service is now being conducted under authority of a certificate of public convenience and necessity granted by Decision No. 14970, dated May 23, 1925, and issued on Application No. 10899, shall not be construed as authority to make any change in operations from the junction of Canon Drive and Wilshire Boulevard along the route from that point, as described in Decision No. 14970.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 25th day of April, 1928.

Leon A. Whiteall

W. S. Brown

W. J. C.

Commissioners.