

Decision No. 19792**ORIGINAL**

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 MICHAEL M. DONAHUE for certificate )  
 of public convenience and necessity )  
 to operate motor bus passenger ) Application, No. 14624  
 service between Lamanda Park Junction )  
 and Rosemead Blvd. and Huntington )  
 Drive, Los Angeles County, California. )

BY THE COMMISSION -

OPINION and ORDER

This is an application by Michael M. Donahue to operate an automotive passenger stage service for the transportation of passengers between

Lamanda Park Junction, located at the corner of Colorado Street and Huntington Drive in the City of Pasadena, and the intersection of Rosemead Boulevard and Huntington Drive in the county of Los Angeles and intermediate points.

Applicant proposes to charge a fare of seven (7) cents for adults and to transport children free of charge. He also proposes to issue a book of twelve (12) tickets for 75 cents, the cash or ticket fare to be good for transportation over any part of the trip or the full distance covered by the stage. A 1928 model bus with a carrying capacity of sixteen (16) persons is to be used. It is proposed to operate under a schedule calling for service every 30 minutes between 6:30 A.M. and 6:50 P.M. Applicant stipulates that he will not transport passengers locally between Lamanda Park Junction and Daisy Avenue, thus eliminating a service competitive with the Pacific Electric Railway.

The Pacific Electric has, by letter, waived opposition to the proposed service, expressing, as its understanding of the Lamanda Park-Daisy Avenue stipulation, that applicant may pick up or discharge passengers at any point between the terminus of the rail line at Daisy Avenue and Lamanda Park Junction, inclusive, when such passengers are destined to or originate at points east

of Daisy Avenue. Pasadena-Pomona Stage Line, J. H. Lord, operator, has advised the Commission that it will not oppose granting of the Donahue application and similar waivers have been received from the Santa Fe railroad, and Motor Transit Company.

The territory was formerly served by a bus line operated by the Pacific Electric, which by formal order of the Commission was authorized to discontinue the service. Applicant now claims that the territory contributing to the proposed route is growing rapidly and that the need for transportation is becoming more acute each month. He points out that a petition signed by some 1200 residents of the territory asking that transportation be re-established has been filed with the city clerk of the City of Pasadena.

In view of the circumstances set forth in the application herein and the waiving by interested carriers of opposition to the issuance of the certificate asked 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.

Michael M. Donahue is 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.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Michael M. Donahue of an automotive service for the transportation of passengers between Lamanda Park Junction, located at the corner of Colorado Street and Huntington Drive in the City of Pasadena, and the intersection of Rosemead Boulevard and Huntington Drive in the county of Los Angeles, and intermediate points, and

