

EHEM

Decision No. 20571

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of  
STANDARD AUTO TOURS for certificate  
of public convenience and necessity  
to operate automobile passenger ser-  
vice between the corner of Washing-  
ton and Rimpau Boulevards, Los  
Angeles, and Roosevelt and 83d  
Street, Los Angeles County.

ORIGINAL

Application No. 14809.

Richard T. Eddy, for applicant.

H. O. Marler, for Pacific Electric Railway Company,  
Interested Party.

E. G. Weeks, for Los Angeles Railway Corporation,  
Interested Party.

F. F. Ball, for Board of Public Utilities and  
Transportation of the City of Los Angeles,  
Interested Party.

BY THE COMMISSION:

O P I N I O N

D. G. Henderson, operating under the fictitious name of Standard Auto Tours, has petitioned the Railroad Commission for an order declaring that public convenience and necessity require the operation by him of an automobile bus line as a common carrier of passengers between the corner of Washington and Rimpau Boulevards in the City of Los Angeles and Roosevelt and 83d Street, Los Angeles County, and intermediate points provided, however, that no passengers shall be

carried locally between Adams Street and Rimpau Boulevard and Adams Street and Washington Boulevard.

Applicant proposes to charge rates and to operate under a time schedule in accordance with Exhibits "A" and "B" attached to said application, and to use the equipment as shown in Exhibit "C" attached thereto. The proposed route is shown upon a map attached to and made a part of said application.

A public hearing on said application was conducted before Examiner Satterwhite at Los Angeles, the matter was submitted and is now ready for decision.

Pacific Electric Railway Company, Los Angeles Railway Corporation and F. F. Ball, representing the Board of Public Utilities and Transportation of the City of Los Angeles, appeared as interested parties.

D. G. Henderson, applicant, testified in his own behalf and called several other witnesses in support of his proposed service. The evidence shows that the proposed route of applicant is about ten miles long and operates through a territory which is developing very rapidly and has no public transportation facilities which are available between Irving and Culver Avenues and 83d and Roosevelt Boulevard.

Loyola College is now engaged in the construction of many of its college buildings, located a short distance from the proposed terminus of applicant at 83rd and Roosevelt Avenues. It appears that several hundred workmen will be steadily employed for many months in the construction of these college buildings and it is estimated that about three thousand students will attend this college, coming from all parts of Los Angeles County. The first units of this college will be finally completed about the first of February, 1929, and

the statement of Rev. Joseph A. Sullivan, its president, indicates that there will be an absolute necessity for the proposed bus service, not only from Los Angeles, but from other intervening towns and communities.

Culver Boulevard along and adjacent to the proposed route is rapidly building up and there are about 1500 houses scattered in and about this district for a distance of one and one-half miles. Overland Avenue is another section along the proposed route which is building up very rapidly. This particular area has been subdivided and many homes are being rapidly sold to home seekers.

The record shows that Messmer City is another rapidly growing community located along Jefferson Boulevard and that the residents of this community have a large building program under way consisting in the construction of public schools, local banks and a new postoffice. This community has now about fifty homes and many more will probably be erected in the immediate future. The transportation difficulties of this community have been more or less serious and have delayed the development of this particular district. The residents of Messmer City are compelled to walk more than a mile to the Pacific Electric Railway. The evidence shows that the proposed bus line is desired by ninety percent. of the property owners in this territory. The record shows that applicant's proposed service by connecting at Washington and Rimpau Boulevards, also at Rimpau and Adams with the existing electric car lines will furnish transportation to and from all parts of Los Angeles, not only to students of the university, but to all persons living in the territory between Culver Boulevard and Irving Street and Roosevelt and 83rd Streets. The record also shows that the applicant has had many years of experience

in bus transportation and has sufficient and adequate equipment to meet all needs of the proposed service.

After a careful consideration of all the evidence in this proceeding, we are of the opinion that public convenience and necessity require the proposed bus service of applicant and that the application should be granted.

D. G. Henderson 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.

#### O R D E R

A public hearing having been held in the above entitled application, the matter having been duly submitted, and being now ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by D. G. Henderson, operating under the fictitious name of Standard Auto Tours, of an automobile bus line as a common carrier of passengers between the corner of Washington and Rimpau Boulevards in the City of Los Angeles and Roosevelt and 83rd Street, Los Angeles County, and intermediate points provided, however, that no passengers shall be carried locally between Adams Street and Rimpau Boulevard and Adams Street and Washington Boulevard.

IT IS HEREBY ORDERED that a certificate of public convenience be and the same is hereby granted to said D. G. Henderson for the operation of the service hereinabove described, subject to the following conditions:

1. Applicant shall file his written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof.
2. Applicant 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 sixty (60) days from the date hereof.
3. The rights and privileges herein authorized shall 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 applicant herein unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission.

The effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 13<sup>th</sup> day of December, 1928.

Leon Whittell  
Al Stearns  
Edward J. [unclear]  
Thomas L. [unclear]  
M. J. [unclear]  
Commissioners.