

Decision No. 20861

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of the Pacific Electric Railway )  
Company, a corporation, for a )  
certificate of public convenience )  
and necessity to operate an auto- )  
mobile stage service between Wing- )  
foot (Pacific Electric Station) in )  
the City of Los Angeles and Ford )  
Plant in the City of Long Beach, )  
and intermediate points in the State )  
of California. )

**ORIGINAL**

Application No. 15294

- C.W. Cornell and O.A. Smith, for Pacific Electric Railway Company, Applicant,
- F.F. Ball, for Board of Public Utilities and Transportation of City of Los Angeles, Interested Party,
- D.D. Bush, for Motor Coach Company, Interested Party,
- Harry Drake, for Terminal Island Transportation Company, Interested Party,
- Guy C. Lyons, Highland Transportation Company, Protestant.

BY THE COMMISSION:

O P I N I O N

The above entitled application, filed by the Pacific Electric Railway Company on December 27, 1928, petitions for a certificate of public convenience and necessity to operate an automobile stage service for the transportation of passengers between Wingfoot (Pacific Electric Station) in the City of Los Angeles and Ford Plant in the City of Long Beach, all within the County of Los Angeles, State of California.

Applicant filed an amended application on January 17, 1929, in which Exhibit "B", filed in the original application, was amended to show a seven (7) cent fare between Nadeau Street and Alameda Street

and Wingfoot (Pacific Electric Station) in lieu of the five (5) cent one-way fare and the ten (10) cent round trip fare.

A public hearing was conducted by Examiner Williams at Compton on February 7, 1929, at which time the matter was submitted and it is now ready for decision.

The route proposed by applicant between Wingfoot and the Ford Plant, a distance of 17.2 miles, is as follows:

Commencing at Merrill Avenue and Central Avenue in the City of Los Angeles, south on Central Avenue to Florence Avenue; thence east on Florence Avenue to Compton Avenue; thence south on Compton Avenue to Nadeau Street; thence east on Nadeau Street to Harbor Truck Boulevard (otherwise known as Alameda Street); thence south on Harbor Truck Boulevard to Orange Avenue; thence west on Orange Avenue to North Wilmington Street; thence south on North Wilmington Street to Main Street, Compton; thence east on Main Street to Harbor Truck Boulevard; thence south on Harbor Truck Boulevard to Badger Avenue and continuing south along Badger Avenue to Ford Plant, Long Beach; return trip, reverse of this route.

Applicant further proposes to operate, pending the construction of the Ford Plant, only a portion of the route; that is, between Wingfoot (Pacific Electric Station) and Compton (Pacific Electric Station) located at Main Street and Wilmington Street, Compton, with the exception of the first and last trips, which will be operated from and to the intersection of Badger Avenue and Anaheim Street, a point located approximately one mile north of Ford Plant, occasioned by motor coaches coming from or returning to Pacific Electric garage at Long Beach. The route proposed for the temporary operation, a distance of 7.6 miles, is as follows:

Commencing at Merrill Avenue and Central Avenue in the City of Los Angeles, south on Central Avenue to Florence Avenue; thence east on Florence Avenue to Compton Avenue; thence south on Compton Avenue to Nadeau Street; thence east on Nadeau Street to Harbor Truck Boulevard (otherwise known as Alameda Street); thence south on Harbor Truck Boulevard to Orange Avenue; thence west on Orange Avenue to North Wilmington Street; thence south on North Wilmington Street to Pacific Electric Station, located at Main Street and North Wilmington Street, Compton.

Returning east on Main Street to Harbor Truck Boulevard; thence north on Harbor Truck Boulevard to Nadeau Street; thence west on Nadeau Street to Compton Avenue; thence north on Compton Avenue to Florence Avenue; thence west on Florence Avenue to Central Avenue; thence north on Central Avenue to Merrill Avenue.

The applicant proposed to give daily, except Sunday, service between 6:40 A.M. and 12:01 A.M. on approximately a one hour headway for the major portion of the day between Wingfoot and Compton, for the present, and Wingfoot and the Ford Plant, upon the commencement of construction work on the Ford Plant.

Applicant, by stipulation, amended its application so as to exclude the carrying of local passengers between Orange Avenue and Olive Street in the City of Compton and between the intersection of Anaheim Street and Badger Avenue and the Ford Plant. The protests in this proceeding were waived upon the above stipulations.

Applicant further amended its application so as to provide joint through fares between points on the proposed motor coach line and points on its rail lines on the same basis that fares apply on its rail lines subject, however, to the stipulation regarding transfer between its Long Beach-Wilmington Line and the proposed motor coach line and also the stipulation regarding the restriction between Orange Avenue and Olive Street in the City of Compton.

Oscar A. Smith, Passenger Traffic Manager of applicant corporation, appeared and testified as to need of the proposed service. Applicant also produced eleven witnesses in its behalf, all interested in the service as proposed and who testified as to the necessity for such a line of transportation.

Testimony adduced at the hearing shows that several large rubber tire factories, together with many other large manufacturing and industrial plants are located adjacent to the proposed route and that the many employes working at these plants and living in Compton or other points on the proposed route are in need of this proposed

service. The record further shows that at the present time there is no public means of transportation to accommodate this traffic, thereby necessitating the use of privately owned conveyances for travel between points on the proposed route. It is apparent from the record that the proposed service will not only be a convenience but a necessity to this traffic.

O. A. Smith testified that applicant desired at the present time to operate only as far as Compton, with the exception of the two trips, as previously described, pending the commencement of work on the Ford plant at Long Beach, which work is stated will start about March 15, 1928. Upon the beginning of construction work at the plant applicant plans to operate additional schedules.

J. A. Rogers, residing in Davidson City, a witness for the applicant, testified that the proposed service would be a great benefit to his community but believed that the service would be more beneficial if routed over Dominguez Street in that community, rather than Harbor Truck Boulevard. Applicant stated that this request would receive further consideration.

Considering all the evidence in this proceeding, the Commission is of the opinion that public convenience and necessity require the operation of a motor coach service for the transportation of passengers between Wingfoot (Pacific Electric station) in the City of Los Angeles and the Ford plant in the City of Long Beach over the route as proposed by applicant.

Pacific Electric Railway Company 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.

#### ORDER

A public hearing having been held in the above entitled proceeding, the matter having been duly submitted and the Commission being fully advised,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Pacific Electric Railway Company of a motor coach service for the transportation of passengers between Wingfoot (Pacific Electric station) in the City of Los Angeles and Ford plant in the City of Long Beach, over and along the following route:

Commencing at Merrill Avenue and Central Avenue in the City of Los Angeles, south on Central Avenue to Florence Avenue; thence east on Florence Avenue to Compton Avenue; thence south on Compton Avenue to Nadeau Street; thence east on Nadeau Street to Harbor Truck Boulevard (otherwise known as Alameda Street); thence south on Harbor Truck Boulevard to Orange Avenue; thence west on Orange Avenue to North Wilmington Street; thence south on North Wilmington Street to Main Street, Compton; thence east on Main Street to Harbor Truck Boulevard; thence south on Harbor Truck Boulevard to Badger Avenue and continuing south along Badger Avenue to Ford Plant, Long Beach; return trip, reverse of this route.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such a service be and the same is hereby granted to Pacific Electric Railway Company provided no local service be performed between Orange Avenue and Olive Street in the City of Compton and between the intersection of Anaheim Street and Badger Avenue and Ford Plant, subject to the following conditions:

- (1) Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed twenty (20) days from the date hereof.
- (2) Applicant shall file, in duplicate, within a period not to exceed twenty (20) days from the date hereof, tariffs 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 this 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 may not be discontinued, sold, transferred nor assigned unless the written consent of this 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 it under contract or agreement on a basis satisfactory to this Commission.

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 11<sup>th</sup> day of March, 1929.

David L. Smith

C. J. Seamy

Leon Whitell

M. A. Carr  
Commissioners.