

**ORIGINAL**

Decision No. 20948

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of application of  
PACIFIC ELECTRIC RAILWAY, a corporation,  
for certificate of public convenience  
and necessity to operate motor coach  
service between Girard, in the City of  
Los Angeles, and Las Palmas Avenue and  
Hollywood Boulevard, in the City of  
Los Angeles, State of California.

) Application No.15423

BY THE COMMISSION -

OPINION and ORDER

This is an application by Pacific Electric Railway Company  
for a certificate of public convenience and necessity to operate  
an automotive passenger stage service between Hollywood and  
Girard, via Ventura Boulevard, both terminals being within the  
city of Los Angeles, over and along the following route:

Commencing at Las Palmas Avenue and Hollywood Boulevard,  
west on Hollywood Boulevard to Highland Avenue, north on  
Highland Avenue to Cahuenga Avenue, north on Cahuenga  
Avenue to Ventura Boulevard, thence westerly on Ventura  
Boulevard to Girard; returning reverse of this route to  
Highland Avenue and Franklin Avenue, east on Franklin  
Avenue to Las Palmas Avenue, south on Las Palmas Avenue  
to Hollywood Boulevard.

Applicant is at present operating an uncertificated motor  
bus service over practically the same route for which a certificate  
is herein sought. No change in fares or schedules is proposed.

The route proposed herein provides for a change from the  
present terminus on De Longpre Avenue in Hollywood to terminal  
facilities at a stage depot located near the corner of Las Palmas  
Avenue and Hollywood Boulevard. The proposed change will  
enable applicant to avoid a great deal of the heavy traffic  
congestion on Highland Avenue and will, according to applicant,  
make for better service to the business district of Hollywood.

Attached to the application herein and made a part thereof is a copy of a letter from the Board of Public Utilities and Transportation of the City of Los Angeles approving the change in route as proposed. Pickwick Stages System, Original Stage Line and Pasadena-Ocean Park Stage Line have advised that they have no objection to the granting of the application.

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.

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.

O R D E R

The RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Pacific Electric Railway Company of an automotive passenger stage service between Hollywood and Girard over and along the following route:

Commencing at Las Palmas Avenue and Hollywood Boulevard, west on Hollywood Boulevard to Highland Avenue, north on Highland Avenue to Cahuenga Avenue, north on Cahuenga Avenue to Ventura Boulevard, thence westerly on Ventura Boulevard to Girard; returning reverse of this route to Highland Avenue and Franklin Avenue, east on Franklin Avenue to Las Palmas Avenue, south on Las Palmas Avenue to Hollywood Boulevard.

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, subject to the following conditions:

- 1- Applicant shall file its 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 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 applicant herein unless such vehicle is owned by said applicant or is leased by it under a contract or agreement on a basis satisfactory to the Railroad 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 10<sup>th</sup> day of April, 1929.

John D. Lovell  
C. Seamus  
Leonard Whiting  
W. F. Clegg  
COMMISSIONERS.