

Decision No. 20954

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
MOTOR COACH COMPANY for a certificate  
of public convenience and necessity to  
operate automobile passenger service,  
as a common carrier, between the  
intersection of Ocean Boulevard and  
Pine Avenue, in the City of Long Beach,  
and the intersection of Sixty-eighth  
Street and Orange Avenue, via Ocean  
Boulevard, Alamitos Avenue and Orange  
Avenue, and the intersection of the  
northerly City Limits of the City of  
Long Beach, and Ocean Avenue via  
Ocean Boulevard and Cherry Avenue, and  
the north gate of Shell Oil Company's  
plant near Hill Street via Ocean  
Boulevard and Obispo Avenue, all in  
Los Angeles County, and intermediate  
points.

ORIGINAL

APPLICATION NO. 15413

Bruce Mason, for Applicant.

R. E. Wedekind and H. O. Marler, for  
Pacific Electric Railway Co.,  
Interested Party.

Charles A. Bland, for Long Beach Chamber  
of Commerce, Interested Party.

BY THE COMMISSION:

OPINION

Motor Coach Company, a corporation, seeks a certificate for the establishment of three lines, two of which, Orange Avenue and Cherry Avenue, have termini in the City of Long Beach and an unincorporated portion of Los Angeles County, and the other, Obispo Avenue, having termini in Long Beach

and the city of Signal Hill. Applicant requests that the three lines to be established be merged with its other established service under certificate from this Commission.

A public hearing herein was held before Examiner Williams at Long Beach.

Applicant proposes north and south service upon the three streets named, as a development largely of its local service in the city of Long Beach. The same ownership controls the B. & H. Transportation Co. and the Lang Transportation Co. in the city of Long Beach, and the new services are established largely to meet the wishes of governmental and civic bodies in Long Beach, and to meet what appears to be a need for additional services. Except for the fact that the services proposed extend beyond the boundaries of the city of Long Beach, the establishment could have been made without application to this Commission for authority. In establishing the lines, the local services of the B. & H. and Lang Transportation Companies may be altered to eliminate indirect service now given by other routes entirely within the city of Long Beach. As these operations are not, and never have been, under the jurisdiction of this Commission, changes in them are of no concern except as they cause need for the present application.

David D. Bush, secretary and general manager of applicant, testified that the service is being established on the east side of Long Beach because of its large industrial and residential development, and the lack of any service directly from the new points into the city of Long Beach, and especially giving access to resorts and beaches. The Orange Avenue line, he testified,

extending from Ocean Avenue, paralleling the ocean, proceeds northerly from the beach over Alamitos and Orange Avenues to Sixty-eighth Street in the city of Long Beach. This region has been served heretofore by a circuitous line proceeding northerly on Long Beach Boulevard and westerly over South Street to Orange Street; thence northerly to Artesia Avenue, westerly to Ocean Avenue, and thence north to the city limits of the city of Hynes. It is proposed to abandon this local line in its entirety north on South Street, and in its place operate the Orange Avenue line, and also the Cherry Avenue line will give direct service.

The Cherry Avenue line is about one-half mile east of and parallel to the Orange Avenue line, and to some extent serves the same territory, but also serves territory to the east which would be somewhat remote from the Orange Avenue line. These two lines will serve many industries, particularly in the oil fields. The Cherry Avenue line passes directly through the center of the city of Signal Hill, affording that municipality for the first time public transportation into Long Beach. The Cherry Avenue line will also serve the Municipal Airport, the Richfield Oil Company's Southern California field headquarters employing about 1500 men, and the Montana Ranch, a tract of 8,000 acres soon to be developed for industrial and residential purposes, and of which 1500 acres are now being prepared for occupancy.

The Obispo Avenue line is much shorter, extending southerly from Hill Street in the city of Signal Hill to Long Beach, and thence westwardly to Paloma Avenue, and thence to the beach.

Each of the lines proposed is to proceed westwardly on Ocean Boulevard to a junction with the lines of Motor Coach

Company from the west at its terminal at Ocean Boulevard and Pine Avenue in the city of Long Beach.

One zone only is provided for the Obispo Avenue service, and the fare to be charged is five cents in either direction. For the Orange and Cherry Avenue Services, two zones are provided, Willow Street being the dividing line. The fare in either zone is five cents, and the inter-zone rate is seven cents. Mr. Bush testified that it is the intention of applicant to provide transfers from the new service to be established to the existing local services under the same ownership and control.

The schedules of operation provide for a twenty-minute service beginning at 6:30 A.M. and ending at 7:30 P.M., and every thirty minutes thereafter on the Orange Avenue line, the last trip at 12:05 A.M., with the reverse schedule beginning at 6:00 A.M. at Orange Avenue and Sixty-eighth Street, with final service at 11:35 P.M.

The Cherry Avenue route schedule calls for a forty-minute service beginning at 6:00 A.M. and lasting until 12:05 A.M. in the zone north of Willow Street, with a twenty-minute schedule between Hill Street (Signal Hill) and the Long Beach terminal in Zone Two, the twenty-minute service being a combination with the second zone service.

The Obispo Avenue route provides fifteen-minute service beginning at 6:22 A.M. and lasting until 7:37 P.M., with 22-minute service until 12:05 A.M.

During the proceeding, applicant filed an amendment to the routing of the Obispo Avenue line, by which this line will divert from Cherry Avenue at Anaheim and Cherry, westwardly to Temple Street, and thence south to Ocean Boulevard. This change was made to bring the operation in the city of Long Beach five blocks

westwardly from the bus line maintained by the Pacific Electric Railway, and upon the tender of this amendment, the Pacific Electric withdrew all objection to the application.

Charles A. Bland, manager of the industrial and transportation departments of the Long Beach Chamber of Commerce, testified that the services proposed were the result of endeavors on the part of the Chamber and also of the City Council of Long Beach, co-operating with the City Council of Signal Hill, to provide more direct transportation to the newly developed sections east and north in and about Long Beach, and that the application as amended met with the entire approval of the Chamber of Commerce.

Copies of resolutions unanimously adopted by the cities of Long Beach and Signal Hill, and many communications from industries and institutions to be served by the three lines were presented. The record presented, we believe, fully justifies the granting of the certificate asked for for the establishment and operation of the lines as proposed. No opposition was expressed from any source, and the municipalities were harmonious in support of the changes. Applicant, in establishing this service, expects similar co-operation on the part of the municipalities in rearranging its local routes over which the city of Long Beach has jurisdiction, and not this Commission. The certificate to be granted herein will permit the arrangement of better service internally for Long Beach, and, we believe, should be granted, and an order accordingly will be entered.

Applicant herein requests a merger of the rights herein granted with its other operations, which are already merged each with the other. The merger of the certificate herein granted with those now existing will enable applicant to transport many passengers from Wilmington and points westwardly from Long Beach to

points on the east side of Long Beach where the new lines will give service. The merger was not opposed, and appears to be of public benefit, as without it, all passengers would have to transfer at the Company's terminal in Long Beach.

Motor Coach 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 as to the number of rights which may be given.

#### ORDER

Motor Coach Company having made application to establish automobile passenger service over Orange Avenue, Cherry Avenue and Obispo Avenue, terminating at points outside of the city of Long Beach, a public hearing having been held, and the matter having been duly submitted and now being ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity require that Motor Coach Company establish and conduct automobile stage service for the transportation of passengers between Long Beach and other points over and along the following routes, to-wit:

Orange Avenue Route:

Commencing at the northeast corner of the intersection of Pine Avenue and Ocean Boulevard in the City of Long Beach, thence north along Pine Avenue to Broadway, thence east along Broadway to American Avenue, thence south along American Avenue to East Ocean Boulevard, thence east along East Ocean Boulevard to Alamitos Avenue, thence northerly along Alamitos Avenue to Orange Avenue, and thence north along Orange Avenue to Sixty-eighth Street; returning along the same route to East Ocean Boulevard, and thence west on Ocean Boulevard to the point of beginning.

Cherry Avenue Route:

Commencing at the intersection of Ocean Boulevard and Pine Avenue in the City of Long Beach, thence north along Pine Avenue to Broadway, thence east along Broadway to American Avenue, thence south along American Avenue to East Ocean Boulevard, thence east along East Ocean Boulevard to Cherry Avenue, thence north along Cherry Avenue to Artesia Boulevard, thence east along Artesia Boulevard to Ocean Avenue, and thence north along Ocean Avenue to the northerly city limits of the City of Long Beach; returning along the same route to East Ocean Boulevard, thence west along East Ocean Boulevard to the point of beginning.

Obispo Avenue Route:

Commencing with the intersection of Ocean Boulevard and Pine Avenue, in the City of Long Beach, thence north along Pine Avenue to East Broadway, thence east along East Broadway to American Avenue, thence south along American Avenue to East Ocean Boulevard, thence east along East Ocean Boulevard to Temple Avenue, thence north along Temple Avenue to Anaheim Street, thence east along Anaheim Street to Obispo Avenue, and thence north along Obispo Avenue to the gate of the Shell Oil Company's plant near the intersection of Hill Street and Obispo Avenue; returning by the same route to East Ocean Boulevard, thence west along East Ocean Boulevard to the point of beginning, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for the establishment and conduct of such service be, and the same is, hereby granted to Motor Coach 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, such tariff 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 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, and

IT IS HEREBY FURTHER ORDERED that the certificate of public convenience and necessity herein granted be, and the same is, hereby consolidated and merged with the operating rights heretofore granted to Motor Coach Company covering service between Long Beach and various other points, all of which rights have heretofore been consolidated under authority of the Railroad Commission granted by Decision No. 14097 on Application No. 10007, Decision No. 14798 on Application No. 10620, Decision No. 17589 on Application No. 13205, and Decision No. 19290 on Application No. 14220; and

IT IS HEREBY FURTHER ORDERED that the authority to consolidate and merge the right granted herein with the rights now owned by Motor Coach Company, as described in the order herein, shall be construed only as authority to publish rates and charges between all points served under authority of the certificate of convenience and necessity already granted, and to operate through automotive stages between any of said points, no authority being conveyed for the operation of any lesser service than that now



authorized by the certificate herein granted, or heretofore granted; and provided further, that the rights herein granted in no way modify or alter in any respect restrictions heretofore imposed on the operations of applicant or its predecessors, and that said restrictions remain in full force and effect.

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 12<sup>th</sup> day of April, 1929.

Thos D Lott

C. J. Seamy

E. J. ...

Leon ...

W. J. ...

Commissioners