

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
LOS ANGELES RAILWAY CORPORATION, a  
corporation, and PACIFIC ELECTRIC RAILWAY  
COMPANY, a corporation, for a certificate  
of public convenience and necessity to  
operate motor coach passenger service under  
the name of LOS ANGELES MOTOR COACH COMPANY  
between present terminus at Santa Monica  
Boulevard and Wilshire Boulevard and  
proposed terminus at Westwood Avenue entrance  
to University of California, in the City  
of Los Angeles, being an extension of  
present service.

ORIGINAL

Application  
No. 15420

BY THE COMMISSION -

OPINION and ORDER ON SUPPLEMENTAL  
APPLICATION

This is a supplemental application by Pacific Electric  
Railway Company and Los Angeles Railway Corporation, operating  
under the name of Los Angeles Motor Coach Company, for an order  
of the Railroad Commission declaring that public convenience  
and necessity require the operation of automotive passenger  
stage service, as an extension of service now being operated  
between 5th and Hill Streets, Los Angeles, and the intersection  
of Wilshire Boulevard and Santa Monica Boulevard, between said  
intersection of the boulevards named and the entrance to California  
State University over and along the following route:

Commencing at the intersection of Wilshire Boulevard  
and Santa Monica Boulevard in the City of Beverly  
Hills; thence via Wilshire Boulevard to Westwood  
Boulevard; thence northerly on Westwood Boulevard to  
University of California entrance.

Returning via Westwood Boulevard to Wilshire Boulevard;  
thence via Wilshire Boulevard to Santa Monica Boulevard,  
point of beginning of proposed extension.

It is proposed to charge fares in accordance with an exhibit  
marked "C", which is attached to the application herein and made  
a part thereof; to operate in accordance with the schedule shown  
in Exhibit "B", also attached, and to use either double or single  
deck equipment. The service herein proposed is to be operated

either as a local service between the intersection of Wiltshire and Santa Monica Boulevards and the University or as a through service from 5th and Hill Streets, as traffic necessities may demand. Certain transfer privileges are also proposed.

By Decision No.20813, granted on Application No.15420 applicants were granted authority to operate a temporary service to the University over and along a route different than the route herein described. This service was discontinued coincident with the closing of the University on June 1, 1929. The instant application seeks authority to operate permanently over a route declared by applicants to be better suited for the needs of the University and the territory contiguous thereto.

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 and Los Angeles Railway Corporation are 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 Pacific Electric Railway Company and Los Angeles Railway Corporation, operating under the name of Los Angeles Motor Coach Company, of an automotive passenger/stage service over and along the following route:

Commencing at the intersection of Wilshire Boulevard and Santa Monica Boulevard in the City of Beverly Hills; thence via Wilshire Boulevard to Westwood Boulevard; thence northerly on Westwood Boulevard to University of California entrance.

Returning via Westwood Boulevard to Wilshire Boulevard; thence via Wilshire Boulevard to Santa Monica Boulevard, point of beginning of proposed extension,

said service to be performed as an extension of the operating right heretofore authorized by Railroad Commission Decision No.19668, issued on Application No.14590, with which right the operating right herein authorized is hereby merged and consolidated, and

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 and Los Angeles Railway Corporation, operating under the name of Los Angeles Motor Coach Company, subject to the following conditions.

- 1- Applicants shall file their written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof.
- 2- Applicants 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 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 applicants herein unless such vehicle is owned by said applicants or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.

IT IS HEREBY FURTHER ORDERED that the certificate of public convenience and necessity authorizing temporary service granted by Decision No.20813 be, and the same is hereby revoked and annulled, and the tariffs and time schedules filed in accordance therewith canceled.

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 27<sup>th</sup> day of June, 1929.

Thomas D. Lott

C. J. Scully

Ernest L. Lott

Leon A. Lott

W. A. Lott  
COMMISSIONERS.