

Decision No. 22386

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
LOS ANGELES RAILWAY CORPORATION for
a certificate of public convenience
and necessity to operate motor
coaches for the carriage of passen-
gers on Soto Street and other
Streets, County of Los Angeles.

Application No. 16408

Gibson, Dunn & Crutcher by Woodward M. Taylor
and by E.G. Weeks, for applicant.

J.O. Marsh, Chief Engineer and General Manager,
Board of Public Utilities and Trans-
portation, City of Los Angeles.

BY THE COMMISSION:

O P I N I O N

This is an application by Los Angeles Railway Corporation for a certificate of public convenience and necessity authorizing applicant to operate an automotive passenger stage service for the transportation of passengers between Los Angeles and Huntington Park and intermediate points over and along the following route :-

Commencing at the intersection of North Main Street and Workman Street in the City of Los Angeles; thence via Workman Street, Mission Road, Marengo Street, Soto Street and its continuations in the City of Vernon and the City of Huntington Park, Boyle Avenue and Miles Avenue; thence via Clarendon Avenue to Pacific Boulevard in the City of Huntington Park.

Applicant proposes to change rates and fares and to operate on schedules as shown in Exhibits A and B and to use equipment as shown in Exhibit C, all three exhibits being attached to the application, and made a part thereof.

A public hearing was held before Examiner Satterwhite in the City of Huntington Park, testimony taken and an order of submission made.

The application was not protested. A company witness testified as to the need for the service, and a number of residents in the territory proposed to be served supported the contention of applicant that the service was desirable. Of particular weight was the testimony of representatives of firms located in the industrial area traversed by the proposed service and employing thousands of persons. They emphasized the need for transportation enabling employees and shoppers to reach the plants and stores in the territory, and it was also asserted that transportation was required for school children. The Board of Public Utilities and Transportation of the City of Los Angeles also endorsed the proposed service. The proposed line will serve the new Los Angeles County Hospital.

It would appear from the evidence presented by applicant that public convenience and necessity required the proposed service, and that the application should be granted.

Los Angeles Railway Corporation 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 in the above entitled matter having been hold, evidence taken and an order of submission made ,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA
HEREBY DECLARES that public convenience and necessity require the operation by Los Angeles Railway Corporation of an auto-
motive passenger stage service between Los Angeles and Hunt-
ington Park and intermediate points over and along the follow-
ing route :-

Commencing at the intersection of North Main Street and Workman Street in the City of Los Angeles; thence via Workman Street, Mission Road, Marengo Street, Soto Street and its continuations in the City of Vernon and the City of Huntington Park, Boyle Avenue and Miles Avenue; thence via Clarendon Avenue to Pacific Boulevard in the City of Huntington Park,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such a service be and the same is hereby granted to Los Angeles Railway Corporation subject to the following conditions :-

- 1 - To provide for turning facilities at terminals the order herein may be construed as authorizing a change of route at each terminal, provided such change does not entail an extension of the service area, and provided, further, that in the event of route change at terminals the Railroad Commission is advised in writing of such change.
- 2 - Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed ten (10) days from date hereof.

- 3 - 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 thirty (30) days from the date hereof.
- 4 - 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.
- 5 - 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 29th day of April, 1930.

C. L. Scammy

Leon Whittell
Thos. J. Smith

M. J. Con

Commissioners.