

Decision No. 22570

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 LOS ANGELES & SALT LAKE RAILROAD
 COMPANY, a corporation, for authority
 to discontinue passenger train serv-
 ice upon its San Pedro Branch, and
 the Application of the UNION PACIFIC
 STAGE COMPANY, a corporation, for a
 certificate of public convenience and
 necessity to operate a motor truck
 service between Los Angeles and East
 San Pedro.

Application No. 16539.

J. L. Ronnow and E. E. Bennett, for Applicants.

Frank Kerr and R. E. Wedekind, for Pacific Electric Railway Company, Pacific Motor Transport Company and Motor Transit Company, interested parties.

BY THE COMMISSION:

O P I N I O N

In the above entitled proceeding, Los Angeles and Salt Lake Railroad Company requests authority to discontinue the operation of its passenger train service upon its San Pedro Branch and the Union Pacific Stage Company seeks a certificate of public convenience and necessity to operate a motor truck between Los Angeles and East San Pedro.

A public hearing was held in this matter before Examiner Satterwhite in Los Angeles on June 3rd, 1930.

Los Angeles and Salt Lake Railroad Company operates one passenger train each way per day (trains Nos. 43 and 44) on the San Pedro Branch between Los Angeles and East San Pedro and serving the intermediate towns of Bell, Hynes and Long Beach.

The intra-state passengers handled on these trains for the year 1929 are shown on Exhibit No. 3 and indicates the intra-state revenue to amount to 9 cents per train mile, whereas the estimated cost of operation, as shown on Exhibit No. 2, amounts to \$1.06 per train mile.

In addition to passenger business, express matter is handled on these trains. The total revenue accruing to the San Pedro Branch for the handling of express amounts to approximately \$500. per month.

It is the proposal of applicant to install a motor truck service between Los Angeles and East San Pedro, to handle this express business as well as baggage. This truck service is proposed to care for express and baggage from and to stations on the San Pedro Branch, in connection with the Los Angeles and Salt Lake Railroad Company's operations, upon a schedule (Exhibit "B") substantially the same as the schedule of trains Nos. 43 and 44 of Los Angeles and Salt Lake Railroad Company. The discontinuance of these trains and the establishment of truck service was not protested.

An agreement has been entered into between the Los Angeles and Salt Lake Railroad Company and the Union Pacific Stage Company, whereby the operations of the stage company are guaranteed by the railroad company. A copy of this agreement is filed in this proceeding as Exhibit No. 6. The equipment proposed to be used in this service appears to be of sufficient capacity to handle all the express and baggage offered for transport.

It appears that public convenience and necessity justify the granting of this application and it will be so ordered.

Union Pacific Stage Company hereby is 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

Los Angeles and Salt Lake Railroad Company having made application to the Railroad Commission to abandon its passenger train service on its San Pedro Branch and the Union Pacific Stage Company having made application for a certificate of public convenience and necessity to operate a motor truck service between Los Angeles and East San Pedro, Los Angeles County, a public hearing having been held and the matter having been duly submitted and being now ready for decision, therefore,

IT IS HEREBY ORDERED that permission and authority be and it is hereby granted to Los Angeles and Salt Lake Railroad Company to discontinue the operation of passenger trains on its San Pedro Branch, between Los Angeles and East San Pedro, County of Los Angeles, provided, however, that five (5) days' notice of said discontinuance of operation be given to the travelling public by posting notices in all stations on said branch; and

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment by applicant, Union Pacific Stage Company, of a motor truck service between Los Angeles and East San Pedro for the transportation of Railway Express Agency's express and railway baggage, serving as intermediates only the stations on the San Pedro Branch of Los Angeles and Salt Lake Railroad Company, upon and along the following route:

Commencing at Central Station in Los Angeles; thence south on Central to Seventh Street; east on Seventh Street to Alameda Street; south on Alameda Street to Slauson Avenue; east on Slauson Avenue to Pacific Boulevard.

From this point there are alternate routes, one continuing east on Slauson Avenue to Maywood Avenue, south on Maywood to Baker Avenue, and then jogging slightly west to the Bell Station of L.A. & S.L. R.R. Co; the other alternate route commences at the intersection of Pacific Boulevard and Slauson Avenue, goes south on Pacific to Baker Avenue, east on Baker to the Bell Station of the L.A. & S.L. R.R. Co.

From this station the route continues south on Salt Lake Avenue to Florence Avenue; east on Florence Avenue to Atlantic Boulevard; south on Atlantic Boulevard to Wright Road; south on Wright Road to Norton

Avenue; east on Norton Avenue to the depot of the L.A. & S.L. R.R. Co. at Workman, which is also the intersection of Norton Avenue and Michigan Avenue; south on Michigan Avenue (with a detour to the County Farm on Coolidge Avenue, as shown on the map attached to the application, if service is required) to Washington Street; east on Washington Street to the Clearwater depot of the L.A. & S.L. R.R. Co., and then continuing east on Washington Street to Ocean Boulevard; south on Ocean Boulevard to Jackson Street; west on Jackson Street to the Hynes depot of the L.A. & S.L. R.R. Co; thence continuing west on Jackson Street to Cherry Avenue; south on Cherry Avenue to South Street; west on South Street to Orange Avenue; south on Orange Avenue to Wardlow Road; west on Wardlow Road to Atlantic Avenue; south on Atlantic Avenue to First Street, Long Beach; then east on First Street to the Long Beach depot of the L.A. & S.L. R.R. Co.

The route from that depot to East San Pedro is: west from the depot to intersection of First Street and Atlantic Avenue; north on Atlantic Avenue to Anaheim Street; west on Anaheim Street to Badger Avenue; south on Badger Avenue to Dock Street; west on Dock Street to Morman Street; south on Morman Street to Ocean Avenue; west on Ocean Avenue to Harris Place; south on Harris Place to Seaside Avenue; thence west and southwest along Seaside Avenue to the East San Pedro depot of the L.A. & S.L. R.R. Co.

The return trip to Los Angeles is over the same route, all of which is shown on the map attached to the application.

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity therefore be and the same is hereby granted, subject to the following conditions:

(1) Applicant shall file with this Commission, within twenty (20) days from the date hereof, its written acceptance of the certificate herein granted.

(2) Applicant shall file, in duplicate, time schedules and tariff of rates within a period of not to exceed thirty (30) days from the date hereof, such tariff of rates to be identical with those now on file by Los Angeles and Salt Lake Railroad Company and such 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 the

service herein authorized within a period not to exceed sixty (60) days from the date hereof.

(3) The rights and privileges herein authorized may not be sold, leased, transferred or assigned, nor service thereunder discontinued unless the written consent of the Railroad Commission to such sale, lease, transfer, assignment or discontinuance has first been secured.

(4) No vehicle may be operated by applicant under the authority herein granted unless such vehicle is owned 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 23rd day of June, 1930.

J. L. Scammon
W. M. ...
Leon ...
...
M. J. ...

Commissioners.