AZDecision No. 23428 BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA ORIGINA In the Matter of Application of los Angeles Railway Corporation, a corporation, and the Pacific Electric Railway Company, a corporation, operating under the name of the Los Angeles Motor Application Coach Company, for a certificate No. 17195. of public convenience and necessity to change the route of the vermont-Hillhurst-Griffith Park Motor Coach Line in the City of los Angeles, State of California. BY THE COMMISSION: OPINION This is an 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 a motor coach service under the name Los Angeles Motor Coach Company in the Vermont-Hillhurst-Griffith Park district of the city of Los Angeles. The service proposed herein contemplates, in effect, a change of route from that which has been operated by the Los Angeles Motor Coach Company over the line known as the Vermont-Hillhurst-Griffith Park Motor Coach Line. Under the terms of an agreement dated August 15, 1923 approved by this Commission in Decision No.12826 in Application No. 9516 the applicants herein have been operating motor coach service over routes in the City of Los Angeles supplementing street car service rendered by the applicants in such city. However, no certificate has ever been issued for automotive passenger service over the route herein referred to. The Board of Public Utilities and Transportation of the City of Los Angeles has informed the Commission by letter dated Jenuary 26, 1931 that permits have been granted to the applicants herein covering motor coach operations over the route as proposed.

We are of the opinion that this is not a matter requiring a public hearing and that the application should be granted as applied for. Applicants 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. ORDER THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the operation by Los Angeles Railway Corporation and Pacific Electric Railway Company, operating under the joint agency name Los Angeles Motor Coach Company, of an automotive passenger stage service over and along the following route: Commencing at the intersection of Monroe Street and Vermont Avenue; thence north on Vermont Avenue to los Feliz Blvd.; east on Los Feliz Blvd. to Griffith Park Road; thence northerly on Griffith Park Road to Griffith Park Field House. Also from the intersection of Sunset Blvd. and Vermont Avenue; east on Sunset Blvd. to Hillhurst Avenue; north on Hillhurst Avenue to Avocado Street. Also from the intersection of Los Feliz Blvd. and Rowena Ave. south on Rowena Avenue to Lowrey Road. said route being delineated on the map marked Exhibit "A" attached to the application bearing the applicants number C.E.H. 12831. IT IS HEREBY OFDERED that a certificate of public convenience and necessity for such service be and the same hereby is granted to Los Angeles Railway Corporation and Pacific Electric Railway Company, operating under the joint agency name 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 fifteen (15) days from date hereof.

2- Applicants shall file in duplicate and make effective within a period of not to exceed thirty (30) days from the date hereof a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be identical with the Rates and rules shown in the exhibit attached to the application insofar as they conform to the certificate herein granted.

3- Applicants shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof time schedules, covering the service herein authorized, in a form satisfactory to the Railmoad Commission.

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 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.

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 24/day of

1931.