



The Board of Public Utilities and Transportation of the City of Los Angeles has signified that it is not opposed to the granting of this application.

We are of the opinion that this application should be granted. A public hearing does not appear to be necessary.

Pacific Electric Railway 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 to the number of rights which may be given.

IT IS HEREBY ORDERED that Pacific Electric Railway Company be, and it is hereby authorized to discontinue its so-called North Hollywood local motor coach line, as authorized by this Commission's Decisions Nos. 22874 and 23384, the operating rights granted by said decisions being hereby revoked and annulled, and to cancel, in conformity with the rules of this Commission, all tariffs of rates and time schedules on said line, subject to the following conditions:

- 1- Applicant shall afford the public at least ten (10) days' notice of said discontinuance, by posting notice of discontinuance of service in all motor coaches operated on said line and at the stations affected.
- 2- Said service shall be discontinued within ninety (90) days from the date hereof, coincident with the establishment of service over the new route authorized by the order herein, unless otherwise determined, in which event the Commission shall be given notice in writing and petitioned for such supplemental order as is necessary.

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity be, and it is hereby granted to Pacific Electric Railway Company for the operation of a passenger motor coach service between Hollywood and North Hollywood and intermediate points, over and along the following route; said certificate being intended to cover service established in lieu of that covered by the certificates herein revoked:

Commencing at Hollywood Union Travel Depot, south on Wilcox Avenue to Selma Avenue, west on Selma Avenue to Highland Avenue, north on Highland Avenue to Cahuenga Avenue, northwest on Cahuenga Avenue to Lankershim Boulevard, north on Lankershim Boulevard to Victory Boulevard, west on Victory Boulevard to Laurel Canyon Road, north on Laurel Canyon Road to Vanowen Street, Returning, east on Vanowen Street to Lankershim Boulevard, thence south on Lankershim Boulevard and over going route to the intersection of Cahuenga Avenue and Highland Avenue, thence via Cahuenga Avenue to Hollywood Union Travel Depot, point of beginning.

The rights and privileges herein granted are subject to the following conditions:

- 1- Applicant shall file in writing, within ten days from the date hereof, an acceptance of the certificate herein granted.
- 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 those attached to the amended application herein, or rates and time schedules satisfactory to this Commission, and shall commence operation at a time coincident with the discontinuance of service authorized herein.
- 3- The rights and privileges herein authorized may not be sold, leased, transferred nor 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 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.

The effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 9/10<sup>th</sup> day of September, 1931.

C. J. Seaver  
James O. White  
W. B. Hays  
Frank G. Stewart