

Public hearings on these applications were conducted by Examiner Kennedy at Los Angeles, the matter having been duly submitted.

Applicant operates its Ventura Boulevard Motor Coach Line between the Hollywood Union Travel Depot, located at 1625-1629 Cahuenga Avenue and the district known as Girard, all in the City of Los Angeles. This line has been operating for the past eight years, however, it was not until 1929 that the Commission certificated its operation by Decisions Nos. 20948, 21584 and 22957. Applicant now proposes to abandon that portion of this line between the intersection of Ventura Blvd. and Reseda Ave. and the present terminal of the line at Girard and to reroute the line along Reseda Avenue between Ventura Blvd. and Nordhoff Street.

Applicant alleges that it is the desire to change the terminus of said line for the reason that the patronage between Reseda Avenue and Girard has been meager; that the line is not earning and has not heretofore earned operating expenses and that in applicant's opinion the rerouting will offer increased patronage which may be sufficient to meet the out-of-pocket cost of operation.

The record shows that during the month of December 1931, the total operating loss, including depreciation, taxes and interest on the investment, was \$950.02. For the year 1931, this loss amounted to \$10,364.38 and the aggregate loss during the entire period of operation has been approximately \$59,000.00.

Exhibit "E" attached to the application and consisting of a three-day traffic check in January 1932, reveals a patronage of approximately one passenger per trip (including through passengers to and from Hollywood), between Reseda Avenue and Girard.

Exhibit "D" shows that there are 145 dwellings and 15 business institutions in the Girard zone, while there are 643

dwelling, 74 business places and 9 clubs, packing plants, etc. in the North Los Angeles zone. The zones include the areas one-half mile on either side of the route and beyond the termini.

Pacific Electric Railway Company's rail line, running east and west, bisects the route of the proposed motor coach line so that with joint rates and connecting schedules, those desiring to reach Los Angeles or points not on the Ventura Blvd. line will be served.

Undoubtedly the proposed service to North Los Angeles will fill a long-sought need and will receive more patronage than the existing route, as there is a population of approximately 3,000 inhabitants adjacent to the line.

Applicant proposes rates almost identical with those now on file for the Girard service, except that new proportionate fares are provided, including five cent fares between points north of Ventura Boulevard and a through fare of 15 cents between the intersection of Ventura Blvd. and Reseda Avenue and Hordhoff Street. North Los Angeles will be divided into three 5-cent zones with a ten cent fare between zones. Applicant proposes to operate fifteen round trips daily using three motor coaches with a seating capacity of 40 passengers.

After carefully considering all of the evidence, it appears that applicant's Ventura Blvd. Motor Coach line is operating at a loss and that the rerouting of the easterly end of the line will operate through a better developed territory and that there will be a greater possibility of the line becoming self-sustaining.

Applicant's request for a certificate of public convenience and necessity in lieu of all existing operating rights (with the exception of the lines jointly operated with Los Angeles Railway under the trade name "Los Angeles Motor Coach Company" and the

line operated under lease from Flintridge Motor Company, as authorized by Decision No. 12852, on Application No. 9529) met with no opposition. No change in rates, routes or schedules are proposed, but applicant will offer changes if the rights are unified, as such changes may be deemed practical and beneficial. The unification will admit of many economies, applicant avers, and this benefit will be conferred on the public in improved service, especially in highly developed and densely populated areas. Applicant does not ask that any restrictions heretofore imposed on individual grants be removed.

The record is affirmative of the request of applicant and an order granting the in lieu certificate, as requested, will be entered.

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.

ORDER

Pacific Electric Railway, a corporation, having made application for the rerouting and change of terminus of its automobile stage line for the transportation of passengers between its terminal in Hollywood (Los Angeles) and Girard (Los Angeles) over Ventura Boulevard, as authorized by Decisions Nos. 20948, 21584 and 22957, on application herein,

IT IS HEREBY ORDERED that applicant be and it hereby is authorized to abandon that portion of its route between the junction of Ventura Boulevard and Reseda Avenue and the community of Girard and to establish such operation over and along the following route:

Commencing at the Hollywood Union Bus Terminal, located at 1625-1629 Cahuenga Avenue, south on Wilcox Avenue to Selma Avenue, west on Selma Avenue to Highland Avenue, north on Highland Avenue to Cahuenga Avenue, north on Cahuenga Avenue to Ventura Boulevard, thence westerly on Ventura Boulevard to Reseda Avenue, thence north on Reseda Avenue to Nordhoff Boulevard; returning reverse of this route to Selma Avenue and Wilcox Avenue, thence east on Selma Avenue to Cahuenga Avenue, thence north on Cahuenga Avenue to Hollywood Union Bus Terminal.

IT IS HEREBY FURTHER ORDERED that Pacific Electric Railway be and hereby is authorized to file with this Commission its rates and time schedules therefor as shown by its Third Supplemental, Exhibits "C" and "G" attached thereto or rates and time schedules satisfactory to this Commission in not less than sixty days from date hereof and on not less than ten days' notice to the Commission and the public of the effective date of such rates and time schedules.

Pacific Electric Railway, a corporation, having made application to unite and consolidate certain of its operating rights into one system and for a certificate of public convenience and necessity therefor in lieu of all such operating rights, a public hearing having been held, the matter having been duly submitted and now being ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the merging, consolidation and unification of all the operating rights herein-after set forth and subject to all the restrictions thereon, and

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity merging, consolidating and unifying applicant's rights be and the same is hereby granted in lieu of each and all of the rights heretofore granted by the Railroad Commission of the State of California in Decision No. 17439, dated October 6, 1926, Supplemental Decision No. 19594, dated April 18, 1929, Supplemental Decision No. 21924, dated December 19, 1929, Supplemental Decision No. 23422, dated February 24, 1931 and Supplemental Decision No. 25484, dated March 14, 1932, on Application No. 12820; Decision No. 21469, dated August 20, 1929, on Application No. 15875; Decision No. 13236, dated March 4, 1924 and Supplemental Decision No. 17124, dated July 17, 1926, on Application No. 9695; Decision No. 23185, dated December 15, 1930, on Application No. 17054; Decision No. 12097, dated May 18, 1923, on Application No. 9000; Decision No. 12223, dated June 19, 1923 and Supplemental Decision No. 18928, dated October 15, 1927, on Application No. 9001; Decision No. 21265, dated June 21, 1929, on Application No. 15177; Decision No. 23293, dated January 19, 1931, on Application No. 17128; Decision No. 22435, dated May 14, 1930, Supplemental Decision No. 22964, dated October 15, 1930, Supplemental Decision No. 23594, dated April 13, 1931 and Supplemental Decision No. 23929, dated August 3, 1931, on Application No. 16501; Decision No. 20952, dated April 12, 1929, on Application No. 15121; Decision No. 24049, dated September 21, 1931, on Application No. 17616; Decision No. 20948, dated April 10, 1929, Supplemental Decision No. 21584, dated September 19, 1929, Supplemental Decision No. 22957, dated October 7, 1930, and Supplemental Decision No. 24954, dated June 13, 1932, on Application No. 15423; Decision No. 23053, dated November 6, 1930, Supplemental Decision No. 23221, dated December 29, 1930,

Supplemental Decision No. 23560, dated April 6, 1931, and Supplemental Decision No. 24053, dated September 21, 1931, on Application No. 16847; Decision No. 18336, dated May 6, 1927, on Application No. 13056; Decision No. 13327, dated March 26, 1924, on Application No. 9824, without changes or alterations of such rights or the restrictions thereof except to the following extent:

1. Nothing herein shall be construed as prohibiting the operation of through vehicles and the transportation of through passengers between all termini and all intermediate points on the routes described in the decisions referred to above, nor the establishment of through rates, rules or regulations for such service.

2. Applicant is authorized to turn its motor vehicles at termini either in the intersection of streets or by operating around a block contiguous to such intersection in either direction and to carry passengers as traffic regulations of the municipality may require.

3. Authority is hereby granted applicant to divert from its regular re-established routes either on its regular schedules or on special schedules for the purpose of transporting bona fide pupils attending an institution of learning between their homes and such institution of learning provided that such divergence and the schedules therefor shall be filed as are other time schedules and whenever special rates are provided the schedule therefor shall also be filed.

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity be and the same hereby is granted Pacific Electric Railway for the operation of automobile passenger stages over and along the following routes:

ALHAMBRA CITY LINES: Established February 1, 1923.

Line No. 1. From Garfield and Main, west on Main Street, south on Marengo, east on Valley Boulevard, south on Sixth Street, west on Romona Boulevard, north on Wilson Avenue to Valley Boulevard, thence via Valley Boulevard, Marengo and Main Street to Garfield and Main.

Line No. 2. From Garfield and Main, west on Main Street, north on Curtis Avenue, west on Alhambra Road, south on Palm Avenue to Vine Street; returning, reverse of above route.

Line No. 3. From Garfield and Main, west on Main to Palm Avenue, south on Palm Avenue, west on Mission Road, south on Fremont Avenue, west on Hellman Avenue, south on La Paloma, east on Ramona Boulevard to Pacific Electric Station at Granada Park. Returning, east on Ramona to El Paseo Street, north on El Paseo to Hellman Avenue, and Fremont, thence returning via Fremont and reverse of above route.

SAN DIMAS LINE: Established July 4, 1924.

Commencing at Southern Pacific Station, San Dimas; north on Cataract Avenue to Covina Boulevard, east on Covina Boulevard to San Dimas Ave., north on San Dimas Avenue to Gladstone Avenue, west on Gladstone to Depot Street, south on Depot Street to Fifth Street, west on Fifth Street to Acacia Street, south on Acacia Street to Third Street, east on Third Street to Depot Street, north on Depot Street to Fourth Street, east on Fourth Street to San Dimas Avenue, south on San Dimas Avenue to Covina Boulevard; west on Covina Boulevard to Cataract Avenue, south on Cataract Avenue to Southern Pacific Station, point of beginning.

SAN BERNARDINO-HIGHLAND-PATTON LINE: Established July 12, 1917.

Commencing at Pacific Electric-Southern Pacific Station, San Bernardino, located at 3rd Street between "E" and "F" Streets, east on 3rd Street to "E" Street, north on "E" to 4th Street, east on 4th Street to Mountain View Avenue, north on Mountain View Avenue to Base Line Street, east on Base Line (service divides at this point) (1) to Waterman Avenue, north on Waterman Avenue to Gilbert Street to Hospital Street, south on Hospital Street to Base Line, east on Base Line to Palm Avenue. (2) to Palm Avenue, north on Palm Avenue to Highland Avenue, west on Highland to State Hospital.

Returning as follows: From State Hospital and Highland Avenue, east on Highland Avenue to Palm Avenue, south on Palm Avenue to Base Line Street, west on Base Line Hospital Street (service divides at this point) (1) north on Hospital Street to Gilbert Street, west on Gilbert Street to Waterman Avenue, south on Waterman Avenue to Base Line Street, west on Base Line to Mountain View Avenue - (2) continuing on Base Line to Mountain View Avenue, south on Mountain View to 4th Street, west on 4th Street to "E" Street, south on "E" Street to 3rd Street, west on 3rd Street to Pacific Electric-Southern Pacific Station, point of beginning,

and that said certificate is merged, consolidated and unified with all the rights herein otherwise merged, consolidated and unified, and subject to the following conditions:

1. Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.
2. 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.
3. 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 13th day of June 1932.

C. C. Deane
Leon C. White
M. J. Am
W. B. Harris
Fred G. Stewart
COMMISSIONERS.