

Decision No. 24929.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of Application of the LOS ANGELES RAILWAY CORPORATION, a corporation, and the PACIFIC ELECTRIC RAILWAY COMPANY, a corporation, operating under the name of the LOS ANGELES MOTOR COACH COMPANY, for a certificate of public convenience and necessity to operate motor coach passenger service between the intersection of Wilshire Boulevard and Westwood Boulevard, in the City of Los Angeles, and the intersection of Broadway and Ocean Avenue, in the City of Santa Monica, and Intermediate points, in the State of California, being an extension of present Wilshire Boulevard Motor Coach Line.

ORIGINAL

Application No. 18210.

C. W. Cornell, for Applicant.
Milton Bryan, Executive Deputy City Attorney
of Los Angeles.
W. Happersett, Chairman of the Board of Public
Affairs Association of Santa Monica Bay
District.
Leo J. Muchenberger, Santa Monica-Ocean Park
Chamber of Commerce.
H. A. Sievert, Citizens Recall Committee of
Santa Monica.
D. R. Faries, Tanner Motor Tours and Gray Lines.

BY THE COMMISSION:

O P I N I O N

In this proceeding the Los Angeles Motor Coach Company seeks a certificate of public convenience and necessity to operate motor coach passenger service on Wilshire Boulevard between Westwood Boulevard, Los Angeles, and the business section of Santa Monica.

A public hearing was conducted in this proceeding by Examiner Kennedy on June 22nd, at which time the matter was duly submitted.

Applicant's existing Wilshire Boulevard motor coach

line operates between the downtown section of Los Angeles (Fifth and Hill Streets) and the University of California at Los Angeles. This line follows Wilshire Boulevard between Park View Street and Westwood Boulevard, this operation constituting the greater portion of the line. At Westwood Boulevard the line leaves Wilshire Boulevard and extends north to the University. Applicant now proposes to extend its operations along Wilshire Boulevard, between Westwood Boulevard and Santa Monica. It is proposed to operate a basic ten-minute service on Wilshire Boulevard, between downtown Los Angeles and Westwood Boulevard. At Westwood Boulevard one-half of the coaches will operate to the University and the other half to Santa Monica, thereby providing twenty-minute direct service between Wilshire Boulevard and the University and twenty-minute service between the intersection of Westwood Boulevard and Wilshire Boulevard and the business section of Santa Monica. It is also proposed to operate the busses between Los Angeles and both the University and Santa Monica as through busses between downtown Los Angeles and Fairfax Avenue. Passengers to or from the University or Santa Monica will be picked up or discharged between Fairfax Avenue and the downtown section of Los Angeles. The present local service will be continued along Wilshire Boulevard as far west as Fairfax Avenue. Applicant testified that additional service would be provided on the Wilshire Boulevard line as conditions warranted.

The record shows that the plan proposed herein to operate a line between the downtown section of Los Angeles and the business section of Santa Monica has been approved by the Cities of Los Angeles, through its Board of Public Utilities and Transportation, and Santa Monica, as well as the Santa Monica-Ocean Park Chamber of Commerce and the Wilshire Association. The Santa Monica organizations have suggested that early action be taken on this application

in the interest of providing a needed service.

Considerable testimony was introduced to show that the operation of a motor coach service along Wilshire Boulevard, as proposed herein, would provide service to a district in Santa Monica which is not now afforded through service between Los Angeles and Santa Monica. It was also shown that the proposed operation would, if effected, add an additional line of transportation between Los Angeles and Santa Monica, thereby affording three lines of public transportation between these two cities. On the other hand, representatives of the Public Affairs Association of Santa Monica Bay District appeared to oppose the granting of the application. Their opposition, however, was directed primarily to the question of rates, taking the position that the proposed through fare of thirty cents between Santa Monica and Los Angeles, with transfer privileges to all intersecting local lines of Pacific Electric Railway Company, Los Angeles Railway Corporation and Los Angeles Motor Coach Company was excessive. It was also contended that certain organizations in Santa Monica were urging municipal bus operation along Wilshire Boulevard. This contention is in conflict with report of the Santa Monica Council Transportation Committee which, after making a study, reported to the City Council that the City could not operate a bus system comparable to that proposed by applicant on a sound financial basis with a fare of twenty-five cents.

While the fares proposed herein are elements to be considered, it should be understood that this is a matter subject to review by the Commission at any time and are not the only tests to apply in considering the evidence tending to support or oppose the granting of this application.

The proposed extension, if unrestricted, would be in competition with certain operations of the Bay Cities Transit Company in Santa Monica. Applicant does not propose to perform local service through this section and Bay Cities Transit Company has signified that it was not opposed to the granting of this application provided applicant's service was restricted from transporting local passengers through this district. The proposed line will not constitute a duplication of service between any other existing line of transportation in so far as route is concerned.

The representatives of the Tanner Motor Tours and The Gray Line took the position that these operators of sight seeing lines in the territory involved would not oppose the application provided sight seeing service was not proposed. The operation proposed by applicant is a transportation service between fixed termini and/or intermediate points and cannot be considered as conflicting with a sight seeing certificate which covers a loop service with but one terminus and no intermediate point of origination or destination.

It appears to the Commission that public convenience and necessity will be served by the proposed extension of motor coach service and that the application should be granted.

Los Angeles Motor Coach 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.

O R D E R

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for the operation of motor coach service for the transportation of passengers between the Cities of Los Angeles and Santa Monica and intermediate points be and the same is hereby granted to the Los Angeles Railway Corporation and the Pacific Electric Railway Company, operating under the name of the Los Angeles Motor Coach Company, over and along the following route:

Commencing at the intersection of Wilshire Boulevard and Second Street, in the City of Santa Monica, south on Second Street, west on Broadway, north on Ocean Avenue, east on Wilshire Boulevard, south on Park View Street, (City of Los Angeles), east on Seventh Street, south on Lake Street, east on Eight Street, north on Olive Street, east on Fifth Street, south on Hill Street, west on Eighth Street to Olive Street.

Also from the intersection of Wilshire Boulevard and McCarthy Vista, thence southwesterly on McCarthy Vista to San Vincente Boulevard.

Also from the intersection of Wilshire Boulevard and Westwood Boulevard, north on Westwood Boulevard to the University of California of Los Angeles entrance;

in lieu of and not as an extension to the certificates of public convenience and necessity granted to applicants herein by this Commission's Decision No. 19668, dated April 25, 1928, in Application No. 14590, Decision No. 20813, dated February 21, 1929, and Decision No. 21286, dated June 27, 1929, in Application No. 15420, subject to the following conditions:

- (1) Applicants shall not transport passengers locally in the territory between the intersection of Federal Avenue and Wilshire Boulevard and the intersection of Broadway and Ocean Avenue.

- (2) Applicants shall file their written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from the date hereof.
- (3) Applicants shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof, on not less than ten (10) days notice to the Commission and the public, 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 in so far as they conform to the certificate herein granted.
- (4) Applicants shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof, on not less than five (5) days notice to the Commission and the public, time schedules, according to form provided in General Order No. 83, covering the service herein authorized, in a form satisfactory to the Railroad Commission.
- (5) 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.
- (6) 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.
- (7) Applicants are authorized to turn their motor vehicles at termini, either in the intersection of the 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.

It IS HEREBY FURTHER ORDERED that this Commission's Decision No. 19668, dated April 25, 1928, in Application No. 14590, Decision No. 20813, dated February 21, 1929, and Decision No. 21286, dated June 27, 1929, in Application No. 15420 be and the same are hereby revoked and of no further force and effect.

The effective date of this order shall be ten (10) days from the date hereof.

Dated at San Francisco, California, this 27th day of June, 1932.

C. L. Seaman
Leon Dubinsky
M. A. Carr
W. B. Hayes
J. G. Cleburn
 Commissioners.