

Decision No. 25685

**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of FRANCIS BRUNNER for authority to combine and consolidate service upon and over routes of Santa Monica Mountain Coach Lines and Pacific Palisades Bus Line; and for such purposes to make alterations and changes in routes and in passenger and freight time schedules and in tariffs and charges and rules and regulations governing same. )  
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 ) Application  
 ) No. 18688  
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Francis Brunner, Applicant, in propria persona.

Rollin L. Mc Nitt for Pacific Palisades Improvement Association, Interested party.

H. O. Marler for Pacific Electric Railway, Interested party.

James Gunn for Board of Public Utilities and Transportation of the City of Los Angeles, Interested party.

Leo J. Muchenberger for Santa Monica-Ocean Park Chamber of Commerce, Interested party.

O. B. Waite for Pacific Palisades Association, Interested party.

Chester L. Coffin, City Attorney, for City of Santa Monica, Interested party.

BY THE COMMISSION -

O P I N I O N

Applicant Francis Brunner recently acquired from Pacific Land Corporation, Ltd., by authority of Decision No. 25586, on Application No. ~~18675~~ 18675, operating rights for the transportation of passengers between Santa Monica and Pacific Palisades. Applicant is also authorized by authority of Decision No. 14284, on Application No. 10607, to operate a passenger and freight service between Santa Monica and Outside Inn (Topanga Canyon) and Las Flores. By this proceeding he proposed to consolidate the two rights and to operate thereunder with a modified time

schedule; to alter certain routes and, in some instances, to slightly increase the present fares.

A public hearing herein was conducted by Examiner Kennedy at Santa Monica, the matter was duly submitted and now is ready for decision.

The Line between Santa Monica and Pacific Palisades and the Chautauqua grounds at the latter point originally was established during a period of extensive land development and residential construction in connection with the establishment of the Chautauqua grounds. Prior to the acquisition of the line by applicant, Pacific Land Corporation, Ltd. filed an application to discontinue all service and asked for the revocation of its certificate because of the losses sustained in the operation. While this application was pending, the certificate was transferred to applicant with the approval of the Commission, for the purpose of providing some service for the residents of Pacific Palisades. No other carrier serves this territory, in which there are approximately 450 homes and an estimated population of 1500. The hearing disclosed that Brunner had undertaken to supply the service under certain conditions and fares. Those appearing for the Palisades interests expressed satisfaction with applicant's proposed operation, except where it disturbed existing fares. The present fare between Santa Monica Canyon and Pacific Palisades is five cents. Applicant proposes to establish two zones between these points, the fare in each zone to be five cents, making a through fare of ten cents between the termini; however, applicant will also establish reduced excursion fares, weekly pass fares and fares for school children. The record shows that the service cannot be conducted successfully on the former five-cent basis. At best it appears that the attempt of

Brunner to reconstruct the service in connection with his other service is an experiment, the success of which depends entirely upon the patronage he may receive from the Palisades area. Applicant has provided eleven (11) daily schedules which appear adequate.

Applicant is an experienced operator and possesses the financial ability to sustain the service during the experimental period. Other adjustments may be necessary later. It is our opinion that the preservation of transportation facilities between Santa Monica and Pacific Palisades justifies the granting of the application.

Francis Brunner 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

Francis Brunner having made application for authority to consolidate the operating rights for the transportation of passengers and (in part) freight between Santa Monica and Las Flores Canyon, Outside Inn (Topanga Canyon) and Pacific Palisades, and for the issuance of a certificate of public convenience and necessity in lieu of all rights heretofore granted and, in addition, for the operation of passenger service over Beverly Boulevard between Pacific Palisades and Castellammare, 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 consolidation and unification of the rights possessed by Francis Brunner by virtue of Decision No.14284, on Application No.10607, and Decision No.25586, on Application No.18675, and

IT IS HEREBY ORDERED that said rights be and they are hereby consolidated and unified, and

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity therefor, in lieu of the certificates heretofore granted, over all the routes heretofore granted and for the operation of passenger service over Beverly Boulevard between Pacific Palisades and Castellammare be and the same hereby is granted over and along the following route:

From terminal at Broadway and Ocean Avenue, Santa Monica, via Ocean Avenue, West Channel Road, Chautauqua Boulevard, Corona Del Mar, Toyopa Drive, Pampas Ricas Boulevard, Beverly Boulevard, Hartzell Street, Bashford Street; Monument Street, Swarthmore Avenue, De Pauw Street, Radcliffe Street, Haverford Street, to Pacific Palisades Chautauqua grounds; thence west and south via Beverly Boulevard to Roosevelt highway and over Topanga Canyon Road to Outside Inn (terminal); also from Broadway and Ocean Avenue, Santa Monica, via Colorado Avenue incline, Palisades Beach Road and Roosevelt Highway to Las Flores Inn (terminal),

and subject to the following conditions:

1. Applicant shall perform no local service between the intersection of Ocean Avenue and San Vicente Boulevard and the terminal at Broadway and Ocean Avenue, Santa Monica, nor between Pacific Palisades and Castellammare.
2. Freight may be transported only on vehicles used for the transportation of passengers between Outside Inn and Las Flores Inn and intermediate points, and not elsewhere and only on vehicles where the convenience and comfort of the passengers shall not be affected.
3. Applicant shall file his written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.

4. Applicant shall file, in triplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof, on not less than ten 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 insofar as they conform to the certificate herein granted.

5. Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from date hereof, on not less than five days' notice to the Commission and the public, time schedules covering the service herein authorized, in a form satisfactory to the Railroad Commission.

6. 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.

7. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission.

IT IS HEREBY FURTHER ORDERED that Decision No.14284, on Application No.10607, and Decision No.25586, on Application No.18675, be and the same hereby are revoked.

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 7<sup>th</sup> day of March, 1933.

C. C. [Signature]  
Leon [Signature]  
W. J. [Signature]  
M. B. [Signature]  
[Signature]  
COMMISSIONERS.