

ORIGINAL

Decision No. 28822.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
PACIFIC ELECTRIC RAILWAY COMPANY, a
corporation, and LOS ANGELES RAILWAY
CORPORATION, a corporation, for an
in lieu certificate for their jointly
operated motor coach lines.

FOURTH SUPPLEMENTAL
APPLICATION No. 18820.

BY THE COMMISSION:

SUPPLEMENTAL ORDER

In their Fourth Supplemental Application Pacific Electric Railway Company and Los Angeles Railway Corporation, filed on March 22, 1934, requested that they be issued a certificate of public convenience and necessity for the joint operation of a passenger motor coach line on Olympic Boulevard, as hereinafter described.

Applicants propose to operate service on the Olympic Boulevard Motor Coach Line between Wilshire Boulevard and Muirfield Road along Olympic Boulevard and Beverly Drive, on a 15-minute headway daily except Sundays and Holidays during the day time and on a 20-minute headway during the remaining operating hours of the day.

The establishment of the above motor coach route is approved by the Board of Public Utilities and Transportation of the City of Los Angeles, Carthay Center Improvement Association, and The Twin Cities Co. It appears that a public hearing is not

necessary herein and that this Fourth Supplemental Application should be granted.

Pacific Electric Railway Company and Los Angeles Railway Corporation 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.

The Railroad Commission of the State of California hereby declares that public convenience and necessity require the operation by Pacific Electric Railway Company and Los Angeles Railway Corporation, operating under the name of Los Angeles Motor Coach Company, of an automotive passenger stage service for the transportation of passengers between the following named termini and all intermediate points, over the following described route:

OLYMPIC BOULEVARD MOTOR COACH LINE

Commencing at the intersection of Muirfield Road and Wilshire Boulevard, south on Muirfield Road, west on Olympic Boulevard, north on Beverly Drive to Wilshire Boulevard.

Also, from the intersection of Beverly Drive and Olympic Boulevard, west on Olympic Boulevard to Spalding Drive.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such a service be and the same is hereby granted to Pacific Electric Railway Company and Los Angeles Railway Corporation, operating under the name of 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 the date hereof.

- (2) Applicants shall amend their rate tariffs, rules and time schedules in conformity with the General Orders and rules of this Commission to cover operations not heretofore authorized.
- (3) Applicants are authorized to turn their motor coaches around at the termini of any or all of the routes herein described, or at points where schedules may terminate along said routes, by operating such motor coaches in either direction around the block at the termini of said routes, or at points where schedules may be so terminated along said routes, and to carry passengers thereon and thereover, provided, however, that such turn-around route shall not encompass more than one square city block or the equivalent of one square city block, at such terminal as traffic regulations of the municipality may require.
- (4) Authority is hereby granted applicants to divert from their regular reestablished routes, either on their 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.
- (5) The rights and privileges herein authorized may not be discontinued, sold, leased, transferred or 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.

The authority herein granted shall become effective on the date hereof.

Dated at San Francisco, California, this 26th day of March, 1934.

Leon C. Whelan

W. B. Davis

W. B. Davis
Commissioners.