

Decision No. 28718

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) Application No. 18820
CORPORATION, a corporation, for an) Tenth Supplemental
in lieu certificate for their jointly)
operated motor coach lines.)

BY THE COMMISSION.

ORIGINAL

SUPPLEMENTAL ORDER

Pacific Electric Railway Company and Los Angeles Railway Corporation, operating under the name of Los Angeles Motor Coach Company, filed their Tenth Supplemental Application in the above entitled matter, requesting authority to reroute their Olympic Boulevard line, discontinuing the present loop operation in the business district of Beverly Hills, and to extend the route through the business district of Beverly Hills and over Beverly Drive, Santa Monica Boulevard, Beverly Boulevard, La Cienega Boulevard and Third Street, to the intersection of Third Street and La Brea Avenue. Applicants were granted authority for the operation of the Olympic Boulevard line by Decision No. 26899, dated March 26, 1934, on Fourth Supplemental Application No. 18820, and the route was subsequently amended by Decision No. 27673, dated January 14, 1935, on Seventh Supplemental Application, 18820.

Applicants allege that the territory along Third Street, La Cienega Boulevard and Beverly Boulevard is a well developed residential section which, at the present time, has no convenient transportation service either to Los Angeles or to Beverly Hills. A further allegation is made that requests have been received by applicants for the establishment of a passenger transportation

service in this district, and that the section is now sufficiently developed to warrant installation of the service as proposed herein.

Applicants also seek permission to publish fares on a temporary basis, to expire June 30, 1936, similar to the trial fares in effect on applicants' Wilshire Boulevard line, as authorized in the Commission's Authority No. 63-12166, dated February 10, 1936, and to defer publication of permanent fares until such time as the temporary fares are discontinued. If the trial fares in effect on the Wilshire Boulevard line are continued after June 30, 1936, the proposed trial fares on the Olympic Boulevard and Third Street line will also be continued. The temporary trial fares published to expire June 30, 1936, are as shown on Exhibit "C" attached to and made a part of the application.

Applicants propose to operate coaches of not less than twenty-passenger capacity, on schedules substantially as shown on Exhibit "D" attached to the application.

By reference to Exhibit "F" attached to the application, it will be noted that the Board of Public Utilities and Transportation of the City of Los Angeles has approved the establishment of this service.

It appears that a public hearing is not necessary herein and that this Tenth 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, in lieu of the route set forth in the Commission's Decision No. 27673, dated January 14, 1935, on Seventh Supplemental Application No. 18820:

OLYMPIC BOULEVARD AND THIRD STREET MOTOR COACH LINE:

Commencing at the intersection of Muirfield Road and Wilshire Boulevard, south on Muirfield Road, west on Olympic Boulevard, north and northwesterly on Beverly Drive, northeasterly on Santa Monica Boulevard, east on Beverly Boulevard, south on La Cienega Boulevard, east on Third Street to La Brea Avenue.

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 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 afford the public at least five (5) days' notice of the change and extension of route, as herein authorized, by placing notices of such change in all motor coaches operating on the existing line.
- (3) 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.
- (4) Applicants are authorized to publish temporary trial fares to expire June 30, 1936, similar to the trial fares in effect on applicants' Wilshire Boulevard line, as authorized in this Commission's Authority No. 63-12166, and as shown on Exhibit "C"

attached to the application herein, and to defer publication of their permanent fares until such time as the temporary fares are discontinued. Should the trial fares in effect on the Wilshire Boulevard line be continued after June 30, 1936, the trial fares on the Olympic Boulevard and Third Street line shall also be continued.

- (5) Authority is hereby granted applicants to divert from their regularly established route, either on their regular schedules or on special schedules, for the purpose of transporting bona fide pupils attending institutions of learning, between their homes and such institutions of learning; provided such divergence and the schedules therefor shall be filed as are other time schedules, and whenever special rates are provided, a schedule therefor shall also be filed.
- (6) Applicants are authorized to turn their motor coaches around at the termini or at points where schedules may terminate along said route, by operating such motor coaches in either direction around a block at the termini of said routes, or at points where schedules may so terminate 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.
- (7) Applicants shall file in duplicate, and make effective within a period of not to exceed thirty (30) days after the effective date of this order, on not less than five (5) days' notice to the Commission and the public, time schedules covering the service herein authorized, in a form satisfactory to the Railroad Commission.
- (8) 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.
- (9) 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.
- (10) Applicants shall notify the Commission, in writing, within thirty (30) days after the rerouting and extension authorized herein have become effective.
- (11) If the change in route and extension herein authorized have not become effective within one

(1) year from the date hereof, the authorization herein granted shall then lapse and become void, unless further time is granted by subsequent order.

(12) The Commission reserves the right to issue such other and further orders in this matter as to it may appear just and proper or as may be required by public convenience and necessity.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 13th day of
April, 1936.

M B Harris

Leon Whisell

M A Cua

Walter Marr

Frank Deane

Commissioners.