

Decision No. 28784.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
PACIFIC ELECTRIC RAILWAY COMPANY for
authority to abandon its Brockton
Avenue Line in the City of Riverside,
California.

Application No. 20403.

In the Matter of the Application of
MOTOR TRANSIT COMPANY for certificate
to operate Brockton Avenue Motor Coach
Line in the City of Riverside.

Application No. 20491.

ORIGINAL

BY THE COMMISSION:

O R D E R

In Application No. 20403 Pacific Electric Railway Company requests authority to abandon its Brockton Avenue Line in the City of Riverside, and in Application No. 20491 Motor Transit Company requests a certificate of public convenience and necessity for motor coach operation serving the same territory as the rail line proposed to be abandoned.

An exhibit attached to Application No. 20403 shows that the Brockton Avenue Line was operated at an out-of-pocket loss of approximately \$5,575.00 during the year 1935, and the application states that if applicant continues to maintain this rail service, an expenditure of approximately \$60,000 for reconstructing and paving in the tracks will be necessary.

The City of Riverside, through its Mayor, has stated, in writing, that it approves the removal of the tracks if suitable bus service is provided.

It appears that these are not matters in which public hearings are necessary and that the applications should be granted.

The Railroad Commission of the State of California Hereby Finds as a Fact that public convenience and necessity no longer require the operation of street railway service by Pacific Electric Railway Company over and along the following described route in the City of Riverside:

Beginning at the intersection of Seventh and Main Streets, along Main Street to Fourteenth Street, along Fourteenth Street to Walnut Street, along Walnut Street to Brockton Avenue, and along Brockton Avenue to Jurupa Avenue;

provided a substitute bus service is operated.

IT IS HEREBY ORDERED that Pacific Electric Railway Company is hereby authorized to abandon its rail operations over and along the above described route; to cancel in conformity with the rules of this Commission all passenger rate tariffs and time schedules pertaining thereto; and to remove its tracks and appurtenances from that portion of said route lying northwest of the intersection of Market and Fourteenth Streets upon ten (10) days' notice to the public and this Commission, provided, however, that said abandonment be coincident with the establishment of bus service by Motor Transit Company, as hereinafter authorized.

It is Hereby Also Found as a fact that, coincident with the abandonment of rail service by Pacific Electric Railway Company, as hereinbefore authorized, public convenience and necessity require the operation by Motor Transit Company of motor coach service over and along the following described route in the City of Riverside:

Commencing at Pacific Electric-Motor Transit Station on Market Street near Seventh Street, thence via Market Street, Twelfth Street, Walnut Avenue, Brockton Avenue to Jurupa Avenue; and returning to Pacific Electric-Motor Transit Station over same route.

Motor Transit Company is hereby placed upon notice, however, 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.

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity therefor be, and the same is, hereby granted to Motor Transit Company subject to the following conditions:

- (1) Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from the date hereof.
- (2) Applicant shall commence the service herein authorized within a period of not to exceed thirty (30) days from the effective date hereof, and shall file, in triplicate, and concurrently make effective on not less than ten days' notice to the Railroad 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, or rates and rules satisfactory to the Railroad Commission.
- (3) Applicant 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 Railroad Commission and the public, time schedules covering the service herein authorized in a form satisfactory to the Railroad Commission.
- (4) 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 obtained.

- (5) No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by applicant 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 4th day of May, 1936.

M. Blais
Leon Whitney
W. A. C.
D. H. [unclear]
Frank [unclear]

Commissioners.