

Decision No. 29141

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC ELECTRIC RAILWAY COMPANY, a) Twenty-ninth Supplemental
corporation, for an in lieu certificate) Application No. 17984
of public convenience and necessity.)

BY THE COMMISSION.

ORIGINAL

SUPPLEMENTAL ORDER

The above entitled supplemental application was filed by the Pacific Electric Railway Company on September 18, 1936, seeking authority from this Commission to establish a motor coach line as a common carrier for the transportation of passengers, for a trial period of ninety (90) days, over and along the following route:

103rd Street-Tweedy Blvd. Motor Coach Line:

Commencing at the intersection of Graham Avenue and 103rd Street, east along 103rd Street to Alameda Avenue, north along Alameda Avenue to Tweedy Boulevard, and east along Tweedy Boulevard to Long Beach Boulevard.

Service over this route was previously authorized for a trial period of ninety (90) days, by authority of this Commission's Decision No. 28805, dated May 11, 1936, on Twenty-eighth Supplemental Application No. 17984. The service, however, was very lightly patronized and, pursuant to the authority contained in the Commission's letter of August 5, 1936, was discontinued at the end of the ninety-day trial period on August 19, 1936.

Applicant alleges now that the General Motors Corporation is increasing its working force from approximately 500 to approximately 2,000 and it is anticipated that the number of employees will reach the latter figure by October 1, 1936.

It appears this is not a matter in which a public hearing is necessary and that applicant should be permitted to re-establish

motor coach service for a trial period of ninety (90) days on its so-called 103rd Street-Tweedy Boulevard Motor Coach Line.

Pacific Electric Railway 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 as 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 establishment, by Pacific Electric Railway Company, for a trial period of ninety (90) days, of motor coach service for the transportation of passengers in the Cities of Los Angeles and South Gate, said line to be known as the 103rd Street-Tweedy Boulevard Motor Coach Line, the description of the entire route being as follows:

103rd Street-Tweedy Boulevard Motor Coach Line:

Commencing at the intersection of Graham Avenue and 103rd Street, east along 103rd Street to Alameda Avenue, north along Alameda Avenue to Tweedy Boulevard, and east along Tweedy Boulevard to Long Beach Boulevard;

to be considered as part of the in lieu certificate granted by this Commission's Decision No. 24854, dated June 12, 1932, on Application No. 17984; and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be, and the same is, hereby granted to Pacific Electric Railway 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 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 one day's 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 one day's notice to the Railroad Commission and the public, time schedules covering the service herein authorized in a form satisfactory to the Railroad Commission.
- (4) At the end of the trial period of ninety (90) days, if it is found that patronage on the 103rd Street-Tweedy Boulevard Motor Coach Line is not sufficient to warrant its continuance, applicant is hereby authorized to discontinue the service authorized herein, upon written notification to this Commission. Applicant shall also afford the public at least five (5) days' notice of its intention to abandon the line, by posting notices in all motor coaches operating on said line and at all stations affected.
- (5) Applicant is authorized to turn its motor vehicles at termini either in the intersection of the street or by operating around a block contiguous to such intersection in either direction and to carry passengers as traffic regulations of the municipalities may require.
- (6) 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 obtained.
- (7) 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.

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

Dated at San Francisco, California, this 29th day of September, 1936.

M. B. Lewis
Dean C. H. Kelly
W. H. Carr
W. H. Carr

Commissioners