

Decision No. 30520.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of John La Pinta for a certificate  
of public convenience and necessity  
to operate a passenger motor coach  
service between San Pedro and the  
La Rambla District in the County of  
Los Angeles, State of California.

Application No. 21574.

Robert Landier, for Applicant.  
C. W. Cornell, for Pacific Electric Railway  
Company, Interested Party.  
S. M. Lanham, for Board of Public Utilities  
and Transportation, Interested Party.

BY THE COMMISSION:

O P I N I O N

The above numbered application, filed by John La Pinta, seeks authority from the Commission for an extension of motor coach service in the harbor district of Los Angeles.

A public hearing was conducted in this proceeding before Examiner Hunter on December 14th, 1937, at which time the matter was submitted, and it is now ready for decision.

Applicant is a member of the San Pedro Motor Bus Association and, for the past several years, has been engaged in operating motor coaches for hire in that area. Until the present time these operations by members of the Association have been entirely within the city limits of the City of Los Angeles and therefore have been conducted under permits issued by the Board of Public Utilities and Transportation of the City of Los Angeles. In the instant proceeding applicant proposes to extend his present route and establish local bus service along a route which, except for approximately two blocks, where Pacific Electric Railway

Company operates along private right of way, will be over the identical streets upon which the Pacific Electric Railway Company's La Rambla rail line now operates. Application No. 21560 is now pending before the Commission and seeks authority to abandon this rail line.

Applicant proposes to operate with a thirty-minute base headway, with fifteen-minute headways during the morning and afternoon peak hours. It is proposed that a five-cent fare will be charged and applicant has expressed himself as willing to exchange transfer privileges with other operators in the San Pedro area belonging to the San Pedro Motor Bus Association, providing that this exchange of transfers will not have the effect of placing all such operations under the jurisdiction of this Commission and thereby require that each line involved in such a transfer arrangement be covered by a Commission certificate.

Two coaches will be required to provide the service as proposed and applicant alleges that he is financially able to provide additional equipment should the traffic demands require the same.

No opposition developed to the granting of this application.

A careful consideration of the record leads to the conclusion that this application should be granted and the following Order will so provide.

John La Pinta 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

Public hearing having been held and the Commission being fully advised;

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefore be and the same is hereby granted to John La Pinta for the establishment of a motor coach service as a common carrier for the transportation of passengers between San Pedro and the La Rambla district, over the following route:

Commencing at the intersection of Fifth and Harbor Blvd., San Pedro, south on Harbor Blvd. to 6th, west on 6th to Pacific, north on Pacific to 5th, west on 5th to Cabrillo, north on Cabrillo to 3rd, west on 3rd to Bandini, north on Bandini to Santa Cruz, west on Santa Cruz to Hanford, south on Hanford to Santa Cruz, west on Santa Cruz to Patton, north on Patton to O'Farrell, east on O'Farrell to Hanford, south on Hanford to Sepulveda, east on Sepulveda to Bandini and Sepulveda, second terminal.

Returning north on Bandini to Elberon, east on Elberon to Gaffey Place, north on Gaffey Place to MacArthur, east on MacArthur to Summerland, south on Summerland to Upland, east on Upland to Pacific, north on Pacific to San Pedro Road, east on San Pedro Road to Harbor Blvd., south on Harbor Blvd. to 5th and Harbor Blvd., Terminal.

The authority herein granted shall be 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 contemporaneously with the abandonment of Pacific Electric Railway Company's service on its La Rambla line, as authorized by the Commission's decision on Application No. 21560, and shall file, in triplicate, and concurrently make effective, on not less than ten (10) 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

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 or 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.

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

Dated at San Francisco, California, this 10<sup>th</sup> day of January, 1938.

William H. Hall  
Frank P. Whit  
Robert W. Bishop  
W. L. Riley  
Commissioners.