Decision No. 32674

BEFORE THE RATIROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CHARLES B. HOLDROOK, doing business under the name of HOLDROOK TRANSIT COMPANY, for an extension of existing certificate of public convenience and necessity to operate passenger bus service in the Bell-Downey area and for a re-routing of said operation.

Application No. 23128

BY THE COLLISSION:

<u>opinion</u>

Charles B. Holbrook, doing business as Holbrook Transit Company, in this application requests a certificate of public convenience and necessity authorizing him to establish and operate an automotive service for the transportation of passengers between Downey and a newly developed industrial section located in the general area between Alameda Street and Imperial Highway near Lakewood Boulevard, near Downey, as an extension and enlargement of applicant's present automotive stage service between Huntington Fark and Downey. Applicant also requests an extension of said operative right which will authorize him to extend his present service to and from the area in Bell, in the vicinity of Gage Avenue, Perry Road, and Florence Place, and certain reroutings of his present operative right.

As justification for the authority sought applicant alleges that, at the present time, there is no public service available in the territory proposed to be served to and from Huntington Park, and that there have been recent developments in said territory by reason of the establishment of certain industrial plants therein as well as a general growth in the entire area now served by applicant.

No changes in the fare structure of applicant's existing operations are proposed except to provide a 10-ride book selling for \$1.25 and a 10-ride school book selling for 70 cents, both applying between Huntington Park and Downey. The fares proposed to be charged on route 3, described in the order, will be those shown in Exhibit "C" attached to the application.

Pacific Electric Railway Company and Highway Transportation Co., the only other carriers in this field, have signified that they have no objection to the granting of this application. It appears that a public hearing is not necessary and the request being in the public interest will be granted.

Charles B. Holbrook 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.

QRDER

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment and operation by C. B. Holbrook, doing business as Holbrook Transit Company, of an automotive service for the transportation of passengers, as a passenger stage corporation, as that term is defined in section 2½ of the Public Utilities Act, as an extension and enlargement of the operative right heretofore created by the Commission's Decision No. 27047, dated May 14, 1934, on Application No. 19297, and

amendments thereto, over and along the following routes in the Bell-Downey area: Along Gage Street from the intersection of Compton-Jaboneria Road to Foster Bridge and Perry Road; thence along Perry Road to Florence Place; thence along Florence Place and Florence Avenue to its intersection with Compton-Jaboneria Road. Along Eastern Avenue from its intersection with Clara Street to Fostoria Street, circling 2. the block and returning to Eastern Avenue on Cocolia Street. Commencing at Third Street and Downey Avenue; 3. thence along Downey Avenue to Alameda Street; thence along Alameda Street to Lakewood Boule-vard; thence along Lakewood Boulevard to Imperial Highway; thence along Imperial Highway to Downey Avenue; thence returning via Downey Avenue to Third Street. Along Eastern Avenue, between Gage Avenue and Florence Avenue, in Bell, in lieu of the routo along Compton-Jaboneria Koad, between Gage Avenue and Florence Avenue. IT IS ORDERED that a certificate of public convenience and necessity therefor is hereby granted to C. B. Holbrook, doing business as Holbrook Transit Company, subject to the following restriction and conditions: 1. No passenger shall be transported between the east bank of the Los Angeles kiver at Gage Avenue and Pacific Boulevard Terminal of applicant's operation in Huntington Park, unless said passenger originates at, or is destined to, points east of the los Angeles River. 2. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days from the date hereof. 3. 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 five (5) days' notice to the Kailroad Commission and the public, time schedules covering the service herein authorized, in a form satisfactory to the Kailroad Commission.
 5. The rights and privileges herein authorized may not be discountinged.
- 5. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred, or assigned, unless the written consent of the Mailroad Commission to such discontinuance, sale, lease, transfer or assignment has first been obtained.
- 6. 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 Kailroad Commission.
- 7. Applicant is authorized to turn its motor vehicles at termini, either in the intersection of the streets or by operating around a block contiguous to such intersection in either direction, and to carry passengers as traffic regulations of the municipality may require.

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

Dated at San Francisco, California, this 192 day of December, 1939.