

Decision No. 132843

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Long Beach Motor Bus Company, a)
California corporation, for an order)
of this Commission authorizing the)
abandonment of one of applicant's)
motor coach lines heretofore and now)
being operated in Long Beach and)
environs known as the Obispo Avenue)
line; and for an order of this Com-)
mission authorizing a change in the)
route of applicant's motor coach line)
operating between Long Beach and Seal)
Beach.)

ORIGINAL

Application No. 23322

WARE & BEROL, by Dewitt M. Manning, for
Applicant.

MASON & WINDHAM, by Bruce Mason for Applicant.

E. P. MULHOLLAND, City Attorney, for City of
Signal Hill, interested party.

BURR BROWN, City Attorney for City of Seal
Beach, interested party.

FRANK KARR, for Pacific Electric Railway Company,
interested party.

BY THE COMMISSION:

O P I N I O N

Long Beach Motor Bus Company, a corporation, on February 29, 1940, applied for authority to abandon and discontinue the operation of passenger service on its Obispo Avenue motor coach line operating partly within and partly outside the City of Long Beach, and to effectuate certain changes in the routing of its Long Beach-Seal Beach motor coach line operating between Long Beach and Seal Beach. Applicant contends that operation of the Obispo Avenue line results in a financial loss and impairment of applicant's operation as a whole, and that abandonment of said Obispo Avenue line would not seriously inconvenience the traveling public by reason of the fact that practically all patrons now using said line have available and reasonably accessible other motor coach lines of applicant and its affiliate, Lang Motor Bus Corporation, which conducts a

city-wide motor coach service in Long Beach.

Applicant presented exhibits to show that its operations for the year of 1939 were conducted at a loss of \$2,213, and that gross passenger revenue was only one dollar in excess of the Conducting Transportation Expense alone. It was shown that for one full day of operation involving seventeen round trips, only one of which extended beyond State Street into the area that would be left without convenient service by the abandonment, travel was as follows:

	<u>Passengers Carried</u>	
	<u>Outbound</u>	<u>Inbound</u>
North of Ocean Avenue	55	69
Between Ocean Avenue and Anaheim Street	48	48
Between Anaheim Street and Wilton Ave.	7	21
17 Round Trips		

Only one passenger was recorded as destined to the extreme end of the line and none inbound therefrom. Along the balance of the route sufficient and adequate service is provided by other motor coach lines of applicant and its affiliate, Lang Motor Bus Corporation.

No opposition was offered to the abandonment as proposed, either by individuals or by official representatives of the cities involved, the financial status of applicant will be improved by said abandonment, and patronage now carried by the line does not justify its continuation, therefore relief as requested should be granted.

Rerouting of the Long Beach-Seal Beach line as proposed involves only a distance of about eight city blocks representing a very small portion of the total route mileage, and will not deprive any of that area now served of reasonable transportation, and no opposition was offered, therefore the authority requested should be granted.

Long Beach Motor Bus 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 to the number of rights which may be given.

O R D E R

A public hearing having been had before Examiner Jenkins and the matter having been submitted,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby declares that public convenience and necessity require the establishment and operation by Long Beach Motor Bus Company of an automotive passenger stage service, as that term is defined in Section 2 $\frac{1}{2}$ of the Public Utilities Act, for the transportation of passengers and baggage over the following described route, and to consolidate the same with the remainder of its operating rights:

Commencing at the intersection of East Ocean Boulevard and Pine Avenue; thence northerly along Pine Avenue to East Broadway; thence easterly along East Broadway to Termino Avenue; thence southerly along Termino Avenue to East Ocean Boulevard; thence easterly along East Ocean Boulevard to Main Street, Seal Beach; thence northerly on Main Street to Central Avenue; thence easterly on Central Avenue to Tenth Street; thence northerly on Tenth Street to Electric Avenue; thence westerly on Electric Avenue to the end of the line at Main Street; returning southerly on Main Street to East Ocean Boulevard; thence westerly on East Ocean Boulevard to Termino Avenue; thence northerly along Termino Avenue to East Broadway; thence westerly along East Broadway to American Avenue; thence southerly on American Avenue to East Ocean

Boulevard; thence westerly on East Ocean Boulevard to the point of beginning.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity for such service is hereby granted to Long Beach Motor Bus Company for automotive passenger stage service between Long Beach and Seal Beach over the route hereinbefore described, said certificate to be in lieu of that granted by Decision No. 32931 in Application No. 23161 between the same points, the certificate herein being 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 not to exceed thirty (30) days from the effective date hereof, and shall retain in force and effect existing time schedules and tariff or tariffs containing rates, rules and regulations heretofore authorized by this Commission.

3. 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.

4. 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.

5. 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.

IT IS HEREBY FURTHER ORDERED that Long Beach Motor Bus Company is hereby granted authority to abandon and discontinue its passenger motor coach service over the route hereinafter described, and to cancel in conformity with the rules of this Commission, all passenger rate tariffs and time schedules applying thereto, unless and until the Commission shall find, after

hearing, that public convenience and necessity require the restoration of said passenger service:

Obispo Avenue Line

Commencing at the intersection of East Ocean Boulevard and Pine Avenue in the City of Long Beach; thence northerly along Pine Avenue to East Broadway; thence easterly along East Broadway to American Avenue; thence southerly along American Avenue to East Ocean Boulevard; thence easterly along East Ocean Boulevard to Temple Street; thence northerly along Temple Street to East Anaheim Street; thence easterly along East Anaheim Street to Obispo Avenue; thence northerly along Obispo Avenue to the north gate of Shell Oil Company's plant near Hill Street, to the end of the line, and reversing said route in a southerly and westerly direction to the intersection of East Ocean Boulevard with American Avenue; thence westerly along East Ocean Boulevard to the point of beginning.

Applicant shall thirty (30) days thereafter, notify this Commission, in writing, of the abandonment of the passenger service herein authorized and of its compliance with the conditions hereof.

The authorization herein granted shall lapse and become void if not exercised within one (1) year from the date hereof unless further time is granted by subsequent order.

For all other purposes, the effective date of this order shall be the date hereof.

Dated at ^{Los Angeles} ~~San Francisco~~, California, this 26th day of March, 1940.

Ray L. Davis
Frank S. Brown
Robert L. Brown
Justus R. Casner
(COMMISSIONERS)