

Decision No. 302126

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the joint application of )  
PACIFIC GREYHOUND LINES, a corporation, to )  
sell, and T. CARPENTER, dba INGLEWOOD TRANSIT )  
LINES, to purchase certain operating rights ) Application  
between Inglewood Junction and Inglewood, ) No. 23562  
California; granting to T. CARPENTER, dba )  
INGLEWOOD TRANSIT LINES a certificate of )  
public convenience and necessity between )  
Inglewood Junction and El Segundo. )

ORIGINAL

BY THE COMMISSION:

O P I N I O N

This is a joint application by Pacific Greyhound Lines and T. R. Carpenter, operating under the fictitious name and style of Inglewood Transit Lines, for an order of this Commission,

1. Authorizing Pacific Greyhound Lines to sell and T. R. Carpenter to purchase, pursuant to an agreement marked Exhibit "B" and attached to and made a part of the application, a common carrier automotive right for the transportation of passengers between Inglewood Junction and Inglewood and intermediate points, via Hawthorne Avenue and Imperial Highway.
2. Granting to T. R. Carpenter a certificate of public convenience and necessity to transport passengers as an automotive common carrier between Inglewood Junction and El Segundo, via Imperial Highway and Main Street.
3. Authorizing a consolidation of the above rights with the existing rights of said T. R. Carpenter.

As justification for the granting of the authority sought applicants allege substantially as follows:

Applicant T. R. Carpenter, DBA Inglewood Transit Lines, is at the present time operating motor buses between Inglewood and the Municipal Airport, maintaining a frequent local

service between said points; establishment of the additional route between Inglewood and El Segundo will establish two routes between Inglewood and Municipal Airport and by coordination of the service of various routes provide a more complete and through service.

Applicant T. R. Carpenter, DBA Inglewood Transit Lines, seeks the issuance of a certificate of public convenience and necessity to operate as a passenger stage corporation between Inglewood Junction and El Segundo for the reason that applicant Pacific Greyhound Lines does not intend to abandon its service into and out of El Segundo.

To the end that this may be accomplished, it is retaining that portion of its operating right between Inglewood Junction and El Segundo via Imperial Highway and Main Street.

The operative right proposed to be transferred was acquired, among others, from H. M. Lang by Pacific Greyhound Lines in Decision No. 32904, dated March 19, 1940, on Application No. 23351, and is specifically described in Decision No. 29020, dated July 27, 1936, on Application No. 20470. Said decision authorized a rerouting of the Lang operation between El Segundo and Inglewood and imposed a restriction stating "that applicant shall not carry passengers locally between Inglewood and the intersection of Firmona Avenue and Imperial Highway."

The only common carriers of passengers involved are Los Angeles Railway Corporation and Pacific Greyhound Lines. Los Angeles Railway Corporation, under date of July 18, 1940, advised the Commission, in writing, that it had no objection to the granting of the application provided the restriction above described was retained.

Pacific Greyhound Lines has specifically waived protest to the granting of the certificate sought herein by T. R. Carpenter.

This appears to be a matter in which a public hearing is not necessary. The application will be granted.

T. R. Carpenter 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

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment and operation by T. R. Carpenter of an automotive service as a common carrier of passengers, as a passenger stage corporation, as such is defined in section 24 of the Public Utilities Act, between Inglewood Junction and El Segundo, via Imperial Highway and Main Street.

IT IS ORDERED that a certificate of public convenience and necessity therefor be and the same hereby is granted to T. R. Carpenter, subject to the following conditions:

1. The authority herein granted shall lapse and be void if applicant shall not have complied with all of the conditions within the periods of time fixed herein unless, for good cause shown, the time shall be extended by further order of the Commission.

2. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days from the effective 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 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 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.

4. Applicant shall file, in triplicate, 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, a time schedule or time schedules covering the service herein authorized in a form satisfactory to the Railroad Commission.

5. 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.

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 Railroad Commission.

IT IS FURTHER ORDERED that Pacific Greyhound Lines is hereby authorized to transfer to T. R. Carpenter and T. R. Carpenter is hereby authorized to acquire the operative rights as defined, restricted and referred to in the foregoing opinion, in accordance with the terms of the agreement marked Exhibit "B," attached to the application herein, and hereafter to operate thereunder subject to the following conditions:

1. The authority herein granted shall lapse and be void if applicants shall not have complied with all the conditions within the periods of time fixed herein unless, for good cause shown, the time shall be extended by further order of the Commission.

2. The consideration to be paid for the property herein authorized to be transferred shall never be urged before this Commission, or any other rate fixing body, as a measure of value of said property for rate fixing, or for any purpose other than the transfer herein authorized.

3. Applicant Pacific Greyhound Lines shall within thirty (30) days after the effective date of the order herein and upon not less than five (5) days' notice to the Commission and the public, unite with applicant T. R. Carpenter in common supplement to the tariffs on file with the Commission covering the service given under the operative rights herein authorized to be transferred, applicant Pacific Greyhound Lines withdrawing, and applicant T. R. Carpenter accepting and establishing such tariffs and all effective supplements thereto.

4. Applicant Pacific Greyhound Lines shall within thirty (30) days after the effective date of the order herein and upon not less than five (5) days' notice to the Commission and the public, withdraw all time schedules filed in its name with the Railroad Commission and applicant T. R. Carpenter shall within thirty (30) days after the effective date of the order herein, and upon not less than five (5) days' notice to the Commission and the public, file in triplicate, in his own name, time schedules covering service heretofore given by applicant Pacific Greyhound Lines which time schedules shall be satisfactory to the Railroad Commission.

5. The rights and privileges herein authorized may not be sold, leased, transferred, nor assigned, nor service thereunder discontinued, unless the written consent of the Railroad Commission to such sale, lease, transfer, assignment or discontinuance has first been obtained.

6. No vehicle may be operated by applicant T. R. Carpenter unless such vehicle is owned by said applicant or is leased by him under a contract or agreement on a basis satisfactory to the Railroad Commission.

IT IS FURTHER ORDERED that the operative rights herein authorized to be acquired and established shall be operated as an extension and enlargement of applicant T. R. Carpenter's existing rights and consolidated therewith.

The effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 10<sup>th</sup> day of September, 1940.

Ray L. King  
Frank D. Smith  
Robert H. Smith  
James J. Carver  
COMMISSIONERS