

Decision No. 37406

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 E. D. SHELLEY and H. A. SHELLEY doing)
 business under the fictitious firm)
 name of WILMINGTON BUS CO. for certifi-)
 cate of public convenience and necessity) Application No. 26196
 to operate motor bus service in the)
 transportation of persons, in the City)
 of Wilmington, County of Los Angeles,)
 State of California.)

BY THE COMMISSION:

O P I N I O N

Applicants, E. D. Shelley and H. A. Shelley, partners, doing business as Wilmington Bus Co., request authority to establish service as a common carrier for the transportation of persons in Wilmington, a community within the City of Los Angeles, and in territory within the County of Los Angeles.

They have operated a motor bus service for the transportation of persons within the City of Los Angeles, at Wilmington, since 1926 by authority of said city and now propose to extend service into county territory from the intersection of Lomita and Avalon Boulevards, north on Avalon, West on Carson Avenue, south on Main Street (Wilmington Boulevard), and east on Sepulveda Boulevard to Avalon Boulevard.

(1) Their present route is within a territory bounded on the north by Lomita Boulevard, on the west by Main Street (Wilmington Boulevard), on the south by Anaheim Boulevard, and on the east by Avalon Boulevard and also extending south from the intersection of Anaheim and Avalon Boulevards over Avalon, Water, and Pier A Streets to Neptune Place. Applicants now operate two lines over the same route, running in opposite directions.

Applicants are now rendering a satisfactory service, using modern equipment consisting of six busses, each having a seating capacity of at least twenty-one passengers. In addition to said busses, applicants own business property upon which are two buildings used for storage and repairing of equipment. They also own their homes.

Financial statements filed in support of this application show that as of June, 1944, Wilmington Bus Co. had tangible assets of \$25,000 and no liabilities; that 1943 gross operating revenues and total operating expenses were \$32,506.30 and \$29,252.45, respectively, and that for the first six months of 1944 the operating revenues amounted to \$19,809.55 and operating expenses were \$16,739.71.

It is applicants' position that the proposed additional service can be satisfactorily and profitably performed with their present equipment. As justification for the establishment of said service, it is represented that there is a need for a continuation of the operation which has heretofore been conducted and that by reason of the establishment of war industries in Wilmington and

(2) Assets of Wilmington Bus Co.:

<u>Description</u>	<u>Passengers</u>	<u>Cost</u>
1933 Chevrolet #5	21	\$ 2,300
1938 " #6	21	2,800
1939 G.M.C. #1	24	3,000
1941 " #2	28	3,200
1942 " #3	24	3,500
1943 " #4	29	3,500
	Total	<u>\$18,300</u>
Garage Equipment		1,500
Garage & Land		4,500
Office Equipment		500
Material & Supplies		200
	Total	<u>\$25,000</u>

A Commission transportation engineer reports that the present value of said assets is substantially as listed and that the equipment is in good mechanical condition.

vicinity there has been constructed, or there is in the process of construction, along the proposed route, approximately 600 new homes; that persons living along said route require and have requested a bus service; that the proposed operation will not be competitive with any existing motor bus service in the new area.

Other carriers operating in the immediate vicinity of applicants' Wilmington lines have waived protest.

Schedule on the present lines is on a twenty-minute headway between 6:00 A.M. and 12:55 A.M. and will be retained. The new line will be on an hourly headway between 6:45 A.M. and 6:45 P.M. north bound and between 6:15 A.M. and 7:15 P.M. south bound. (3)

The fare south of the intersection of Lomita and Avalon Boulevards will be five cents and north thereof, ten cents. The fare between points north of said intersection, on the one hand, and points south thereof, on the other hand, will also be ten cents. Transfer privileges, without extra charge, will be made effective on all of applicants' lines south of said intersection and present transfer arrangements with the Carasco Bus Line will be continued. (4)

After full consideration of this matter, the Commission is of the opinion and finds that the proposed service is necessary and in the public interest and therefore the application will be granted. A public hearing is not necessary.

E. D. Shelley and H. A. Shelley are hereby placed upon

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- (3) North bound, no runs are proposed after 9:45 A.M. until 2:45 P.M. and south bound, none after 11:15 A.M. until 3:15 P.M.
- (4) Ralph Carasco operates a bus line in the east Wilmington district.

notice that operative rights, as such do not constitute a class of property which may be capitalized or used as an element of value in rate-fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. 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

Application having been made in the above entitled matter, and the Commission being duly advised in the premises,

IT IS ORDERED as follows:

(1) That a certificate of public convenience and necessity be and it is hereby granted to E. D. Shelley and H. A. Shelley, authorizing the establishment and operation of a service as a "passenger stage corporation", as defined in Section 2 $\frac{1}{2}$ of the Public Utilities Act, for the transportation of persons between the intersection of Neptune Place (or Pier 156) and Pier A Street, in the Wilmington District, City of Los Angeles, and the intersection of Wilmington Boulevard (or Main Street) and Carson Street, in the district situated in Los Angeles County lying immediately north of and adjoining said Wilmington District.

(2) That in providing service pursuant to the certificate herein granted, applicants shall comply with and observe the following service regulations:

- (a) Applicants 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.
- (b) Applicants shall comply with the provisions of General Order No. 79 and Part IV of General Order No. 93-A by filing, in triplicate, and concurrently making effective, tariffs and time schedules satisfactory to the Commission, within sixty (60) days from the effective date hereof and on not less than one (1) day's notice to the Commission and the public.
- (c) Subject to the authority of this Commission to change or modify the route at any time by further order, applicants shall conduct operations over and along the following streets, highways, or routes, or any combination thereof:

Beginning at the intersection of Neptune Place and Pier A Street, thence along Pier A Street, Water Street, Avalon Boulevard, Carson Avenue, Main Street (Wilmington Boulevard), Sepulveda Boulevard to its intersection with Avalon Boulevard; also beginning at the intersection of Anaheim Boulevard and Avalon Boulevard, thence along Anaheim, Main Street (Wilmington Boulevard), Q Street, Neptune Avenue, Lomita Boulevard to its intersection with Avalon Boulevard; also beginning at the intersection of Denni Street and Avalon Boulevard, thence along Denni Street, Neptune Avenue, "O" Street (Pacific Coast Highway) to its intersection with Avalon Boulevard.

Applicants are authorized to turn their motor vehicles at termini and intermediate points, either in the intersection of the streets or by operating around a block contiguous to such intersection.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 17th day of October, 1944.

[Signature]
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 COMMISSIONERS