

ORIGINAL

Decision No. 38979

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 PETE DRAKE, conducting as sole owner)
 certain automobile passenger stage)
 lines under the name of TERMINAL,)
 ISLAND TRANSIT CO., for certificate) Application No. 27104
 of public convenience and necessity)
 to operate a passenger service as)
 common carrier between Dominguez and)
 the downtown section of Long Beach.)

In the Matter of the Application of)
 LONG BEACH MOTOR BUS COMPANY for a)
 certificate of public convenience and)
 necessity to operate a passenger stage) Application No. 27117
 service as a common carrier between)
 Long Beach, on the one hand, and)
 Dominguez, an unincorporated community,)
 and vicinity, on the other hand, and)
 intermediate points.)

W. N. Deatherage for applicant in Application No. 27104,
 protestant in Application No. 27117. Berol & Handler by Edward
 M. Berol, and Orville A. Schulenberg for applicant in Application
 No. 27117, protestants in Application No. 27104; also, for Lang
 Motor Bus Corporation, protestant. Joseph B. Lamb and J. R.
 McHenry for City of Long Beach and Bureau of Franchises and Public
 Utilities of City of Long Beach, interested parties.

O P I N I O N

Applicant Pete Drake, doing business as Terminal
 Island Transit Co., and Long Beach Motor Bus Company, a California
 corporation, separately seek a certificate of public convenience
 and necessity authorizing them to operate a passenger stage
 service between the City of Long Beach and Dominguez, an unincor-
 porated community situated approximately seven miles northwesterly
 of Long Beach.

Hearings were held at Long Beach on February 14 and 15, and March 27, 1946, before Examiner Chiesa. The matters having been consolidated for hearing and decision and having been submitted are now ready for decision.

Terminal Island Transit Co. will be referred to as "Island Transit", Long Beach Motor Bus Company as "Beach Bus", and Lang Motor Bus Corporation as "Lang Bus".

Lang Bus and Beach Bus are associated companies sharing terminal facilities, garage, and offices. Lang Bus, a noncertificated carrier, provides an extensive motor bus service within the City of Long Beach and Beach Bus is a certificated carrier under the jurisdiction of this Commission, operating several lines between Long Beach and communities in the adjacent area. Island Transit, a certificated carrier, operates principally on Terminal Island, also operating a line to Wilmington and another to Long Beach. At the time of the hearing each of the three carriers operated on a five cent zone basis within the city limits of Long Beach. Lang Bus and Beach Bus offer free transfer privileges within the city to any line operated by either company. Island Transit has no transfer arrangement with either of the other companies.

Island Transit proposes a thirty-minute service between 6:00 a.m. and midnight (36 round trips) from its Long Beach

(1) Subsequent to the hearing the Lang Bus and the Beach Bus received temporary authority to increase their fares to six cents.

terminus to Dominguez via Ocean Boulevard, Magnolia Avenue, Willow Street and Santa Fe Avenue. It proposes to begin operations with two 38-passenger, 1938 White buses to be replaced by new 45-passenger Whites as soon as new equipment is available. This carrier proposes to establish two five-cent fare zones with fare-break point at the intersection of 223rd Street and Santa Fe Avenue, the Long Beach city limits. The route distance within the city is approximately 5 3/4 miles and outside the city approximately 1 1/4 miles. Pete Drake, owner of Island Transit, testified that he expected 50 to 70 per cent of the income on this line to come from passengers riding between points within the City of Long Beach, and 30 to 50 per cent from two-zone fares. He also stated that he would not accept a certificate restricted as to local (Long Beach) traffic because the line could not be operated profitably with such a limitation.

Beach Bus proposes a thirty-minute schedule between 6:00 a.m. and 7:00 a.m. and 8:00 p.m. and 12:30 a.m. with a twenty-minute schedule between 7:00 a.m. and 8:00 p.m. (51 round trips) from its Long Beach terminus to Dominguez, along American Avenue, Pacific Coast Highway, Harbor and Easy Avenues, Willow Street and Santa Fe Avenue. The route distance is practically the same as that of Island Transit and the fare-break point will also be at 223rd Street and Santa Fe Avenue. Although Beach Bus now leases its buses from Long Bus, it proposes to place in operation on the Dominguez line four of the fourteen new 45-passenger General Motors buses upon which applicant expects delivery in the very near future. Said buses will be

owned and operated by applicant and are being purchased through arrangements entered into personally with Howard Lang, applicant's vice president and a principal stockholder.

Although the record shows that either of the applicants could perform the passenger service proposed, the anticipated volume of business does not justify the granting of a certificate to two wholly competing services. The proposed route of Island Transit would parallel various lines of Lang (2) Bus a distance of 4.62 miles and that the Beach Bus route would parallel Lang Bus lines a distance of 3.92 miles. Lang Bus intends to eliminate that portion of its Pacific Avenue line between the intersection of Willow Street and Easy Avenue and the intersection of Pacific Coast Highway and Pacific Avenue (a distance of approximately two miles) if Beach Bus is granted a certificate.

Many public witnesses testified that there is a need for a bus service between Dominguez and Long Beach and the evidence of record is substantial that public convenience and necessity require the establishment of such a service.

Although the operations proposed by the applicants are similar, we believe the public will be better served by the proposed Beach Bus line because it will afford a more extensive service to a greater portion of the public. On this line passengers can avail themselves of free transfer privileges to any

(2) One of the Lang buses now operates along Santa Fe Avenue to the intersection of 223rd Street, which is approximately 1 1/4 miles from Dominguez.

place in the City of Long Beach served by either Long Bus or Beach Bus and also can make more convenient connections to either Los Angeles or San Pedro over the lines of other carriers. Furthermore, this line will be operated along American Avenue, a business street which is only two blocks east of and parallel to Pine Avenue, the principal business street of Long Beach. The route of Island Transit is along Magnolia Avenue which is not a business street and is four blocks west of and parallel to Pine Avenue.

Pacific Electric Railway Company has no objection to the granting of the application of Long Beach Motor Bus Company and is not interested in the application of Terminal Island Transit Co. The Bureau of Franchises and Public Utilities of the City of Long Beach supports the application of Long Beach Motor Bus Company.

Upon full consideration of this record we conclude (1) that the application of Long Beach Motor Bus Company should be granted and (2) that the application of Terminal Island Transit Co. should be denied, and it will be so ordered.

O R D E R

A public hearing having been held on the above-entitled applications, the Commission now being fully advised in the premises and finding that public convenience and necessity so require,

IT IS ORDERED as follows:

I

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to Long Beach Motor Bus Company, a corporation, authorizing the establishment and operation of service as a "passenger stage corporation" as defined in Section 2½ of the Public Utilities Act, for the transportation of passengers between Long Beach and Dominguez, and intermediate points, as an extension and enlargement of its present operative rights.

(2) That in providing service pursuant to the certificate herein granted, Long Beach Motor Bus Company shall comply with and observe the following regulations:

- (a) 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.
- (b) Applicant shall, within sixty (60) days from the effective date hereof and upon not less than one (1) day's notice to the Commission and the public, establish the service herein authorized and 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.
- (c) Subject to the authority of this Commission to change or modify such at any time, Long Beach Motor Bus Company shall conduct said passenger stage operation over and along the following described route:

Beginning at the intersection of First (1st) Street and American Avenue, thence along First Street, Locust Street, Ocean Boulevard, American Avenue, Pacific Coast Highway, Harbor Avenue, Twentieth (20th) Street, Easy Avenue, Willow Street, Santa Fe Avenue, Carson Street, Harbor View Avenue, Tyler Street, Alameda Street, Harrison Street to its intersection with Harbor View Avenue.

Applicant is authorized to turn its motor vehicles at termini and intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersection, or in accordance with local traffic rules.

II

(1) That Application No. 27104, of Pote Drake, doing business as Terminal Island Transit Co., be, and it hereby is, denied.

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

Dated at San Francisco, California, this 14th day of May, 1946.

Edward Anderson
Justin J. Cullen
Frank J. Ducee
Harold P. Kule
COMMISSIONERS