

Decision No. 42586

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the)

PACIFIC ELECTRIC RAILWAY COMPANY,)
 a corporation,)

and)

LOS ANGELES TRANSIT LINES,)
 a corporation,)

Application No. 30097

for authority to divide between them-)
 selves, the operations heretofore con-)
 ducted under the name of "Los Angeles)
 Motor Coach Lines" and to exchange,)
 transfer and assign operating rights,)
 franchise rights and interests in said)
 operations and to transfer and lease)
 operative properties.)

C. W. Cornell and E. D. Yeomans, for Pacific Electric
 Railway Company; Max Eddy Utt and S. M. Lanham, for Los Angeles
 Transit Lines; K. Charles Bean, T. W. Chubb, and Roger Arnebergh,
 for the City of Los Angeles.

O P I N I O N

In the above-numbered proceeding, Pacific Electric
 Railway Company and Los Angeles Transit Lines, joint operators
 of "Los Angeles Motor Coach Lines", propose to terminate an
 agreement entered into on August 15, 1923, and to divide and
 exchange between themselves the operative rights at present in
 effect covering said operations, to divide between themselves
 and transfer and lease from one to another the respective
 interests in certain operative properties, and to exchange,
 transfer and assign franchise rights which have in the past been
 devoted to said jointly conducted operations.

A public hearing was held at Los Angeles on March 30, 1949, at which time the matter was duly submitted and it is now ready for determination.

The agreement above referred to was approved by the Commission in its Decision No. 12826, dated November 14, 1923, on Application No. 9516, and the Commission is now asked to approve a termination of the agreement in order that a division of the lines may be made between the two operating companies.

The application is the direct result of experience over a considerable period of time, which has developed the conviction that the public would ultimately be better served and the operations conducted more efficiently if divided between the participating companies so that there would be direct responsibility in lieu of the divided responsibility and double-management problems which exist under the present arrangement. The application is entirely consistent with testimony before the Commission in connection with other proceedings where the question of the desirability of such division was raised. That the proposal is also consistent with the Commission's thoughts is indicated by the language, "The granting of this application is a necessary step in the division of 'Los Angeles Motor Coach Lines' which appears to be in the public interest", appearing in the Opinion of Decision No. 42218, dated November 9, 1948, on Application No. 29756.

At the hearing, many reasons were advanced as to why the change would be desirable but we are not of the opinion that it is necessary to enumerate these reasons herein when, as has been indicated, it has long been felt that the division would work to the advantage of all parties concerned. No changes in fares, transfer privileges, or service are proposed.

As a result of negotiations between the two companies, three basic agreements have been reached: one has to do with the actual transfer of the operative rights between the two companies, which includes an agreement to transfer the Pacific Electric Railway Company's interests in the Virgil Garage; the second is an agreement covering the right to use the Vineyard Garage, which is being handled by means of a lease from Pacific Electric Railway Company and Pacific Electric Land Company, owners of a portion of the land and facilities; and the third constitutes an assignment of the Los Angeles City franchise rights, held by the two companies jointly, to each of them individually. Copies of these agreements, identified as Exhibits "A", "B", and "C", respectively, are attached to and made part of the application. The record shows that the City of Los Angeles, through its Board of Public Utilities and Transportation, approved the proposal at its meeting of March 25, 1949, and has recommended to the City Council the necessary changes in the franchise ordinances so as to permit the division of territory between the two carriers.

Applicants requested at the hearing that, if consistent with the Commission's thoughts in the matter, a prompt decision be rendered and that any order waive the customary 20-day effective-date clause. This request was made in order that, if possible, the actual physical division could be carried out as of May 1, 1949.

Two reasons were advanced for this request:

1. May 1, 1949, falls on a Sunday and experience has proved the desirability of starting operators on new runs on the lightest travel day.
2. If the change is made on the first of the month, numerous accounting problems will be avoided.

A stipulation that such a proposal is agreeable was entered into between applicants and the City of Los Angeles.

Upon this record we find that the proposed change is in the public interest and that the application should be granted. The following Order will so provide.

O R D E R

A public hearing having been held, and the Commission being fully advised,

IT IS HEREBY ORDERED that:

I. Pacific Electric Railway Company and Los Angeles Transit Lines are hereby authorized to transfer between themselves the operating rights heretofore held jointly and operated under the name of "Los Angeles Motor Coach Lines".

II. The agreement for termination of Los Angeles Motor Coach Lines' agreement of August 15, 1923, attached to the application as Exhibit "A", is hereby approved.

III. (A) A certificate of public convenience and necessity is hereby granted to Los Angeles Transit Lines, authorizing the establishment and operation of service as a passenger stage corporation, as defined in Section 24 of the Public Utilities Act, for the transportation of passengers in and about the Los Angeles Metropolitan Area.

(B) In providing service pursuant to the certificate herein granted, Los Angeles Transit Lines shall comply with and observe the following service regulations:

1. Los Angeles Transit Lines shall file a written acceptance of the certificate herein granted, within a period of not to exceed 30 days from the effective date hereof.
2. Within 30 days from the effective date hereof and on not less than five days' notice to the Commission and the public, Los Angeles Transit Lines shall 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, appropriate tariffs and timetables.

3. Subject to the authority of this Commission to change or modify such at any time, Los Angeles Transit Lines shall conduct said passenger stage operations over and along the following described routes:

(a) Crenshaw-Vine-La Brea Motor Coach Line

Commencing at the intersection of Coliseum Street and La Brea Avenue, via La Brea Avenue, Hollywood Boulevard, Vine Street, Rossmore Avenue, Wilshire Boulevard, and Crenshaw Boulevard, to Manchester Boulevard.

(b) Olympic Boulevard Motor Coach Line

Commencing at the intersection of Olympic Boulevard and Spalding Drive in the City of Beverly Hills, thence via Olympic Boulevard to Olive Street in the City of Los Angeles, thence via Olive Street, 6th Street, Hill Street, and Olympic Boulevard to the point of beginning.

(c) Silverlake-Riverside Drive Motor Coach Line

From the intersection of Beverly Boulevard and Vermont Avenue, via Beverly Boulevard, Silver Lake Boulevard, Parkman Avenue, Silver Lake Boulevard, West Silver Lake Drive, Rowena Avenue, Glendale Boulevard, Allesandro Street, Riverside Drive, and North Figueroa Street to San Fernando Road, returning via the reverse thereof.

Also, for school service only, from the intersection of West Silver Lake Drive and Rowena Avenue, via Rowena Avenue and St. George Street to Griffith Park Boulevard and the reverse thereof.

(d) Vermont-Los Feliz Boulevard Motor Coach Line

From the intersection of Monroe Street and Vermont Avenue, via Vermont Avenue, Los Feliz Boulevard, Huxley Street, Griffith Park Boulevard, and Lower Park Road, to a terminus at Riverside Drive; returning via Riverside Drive, Los Feliz Boulevard and Vermont Avenue.

Also, along Griffith Park Roads to the Picnic Grounds, and from Vermont Avenue and Los Feliz Boulevard, via Vermont Avenue and Vermont Canyon Road to Griffith Planetarium.

Also, for school service only, from the intersection of Los Feliz Boulevard and Rowena Avenue, via Rowena Avenue and Griffith Park Boulevard, to Monon Street, and the reverse thereof.

(e) Talmadge-Hyperion Avenue Motor Coach Line

From the intersection of Sunset Boulevard and Sanborn Avenue, via Sanborn Avenue, Fountain Avenue, Hyperion Avenue, Griffith Park Boulevard, St. George Street, Tracy Street, Talmadge

Street, and Fountain Avenue to Virgil Avenue; returning via Virgil Avenue, Sunset Drive, Talmadge Street, Tracy Street, St. George Street, Griffith Park Boulevard, Hyperion Avenue, and Sunset Boulevard to Sanborn Avenue.

(f) Western Avenue Motor Coach Line

Commencing at the intersection of Western Avenue and Hollywood Boulevard, thence south along Western Avenue to 111th Street, returning via the reverse of the going route.

(g) Wilshire Boulevard Motor Coach Line (local only)

Commencing at the intersection of Wilshire Boulevard and Fairfax Avenue in the City of Los Angeles, thence via Wilshire Boulevard, Union Avenue, 8th Street, Olive Street, 5th Street, Grand Avenue, 8th Street; returning via reverse of the going route.

IV. (A) A certificate of public convenience and necessity is hereby granted to Pacific Electric Railway Company, authorizing the establishment and operation of service as a passenger stage corporation, as defined in Section 2 $\frac{1}{2}$ of the Public Utilities Act, for the transportation of passengers in and about Los Angeles Metropolitan Area.

(B) In providing service pursuant to the certificate herein granted, Pacific Electric Railway Company shall comply with and observe the following service regulations:

1. Pacific Electric Railway Company shall file a written acceptance of the certificate herein granted, within a period of not to exceed 30 days from the effective date hereof.
2. Within 30 days from the effective date hereof and on not less than five days' notice to the Commission and the public, Pacific Electric Railway Company shall 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, appropriate tariffs and timetables.
3. Subject to the authority of this Commission to change or modify such at any time, Pacific Electric Railway Company shall conduct said passenger stage operations over and along the following described routes:

(a) Fairfax Avenue Motor Coach Line

Commencing at the intersection of Vine Street and Hollywood Boulevard, via Hollywood Boulevard, La Brea Avenue, Sunset Boulevard, Fairfax Avenue, Pico Boulevard, Fairfax Avenue, 18th Street, Genesee Avenue, Venice Boulevard, Sawyer Street and Fairfax Avenue, to Pico Boulevard.

(b) Sunset Boulevard Motor Coach Line

Commencing at the intersection of Sunset Boulevard and Crescent Heights Boulevard in the City of Los Angeles, thence via Sunset Boulevard, Vermont Avenue, 1st Street, Beverly Boulevard, 1st Street, 2nd Street, and Hill Street to 11th Street.

Restriction

Passengers shall not be transported locally between points east of Vermont Avenue and First Street and west of Second and Hill Streets, or between points along Hill Street and points east of Vermont Avenue and First Street. This restriction will not prohibit the transportation of passengers along Hill Street between Second Street and Eleventh Street including intermediate points, or between all points east of Vermont Avenue and First Street and points north and west thereof.

(c) Wilshire Boulevard Motor Coach Line (express only)

Commencing at the intersection of Wilshire Boulevard and Second Street in the City of Santa Monica, thence via Second Street, Broadway, Ocean Avenue, Wilshire Boulevard, Union Avenue (City of Los Angeles), Eighth Street, Olive Street, Fifth Street, Grand Avenue, Eighth Street; returning via the reverse of the going route.

Also, McCarthy Vista from Wilshire Boulevard to San Vicente Boulevard.

Also, from the intersection of Westwood Boulevard and Wilshire Boulevard via Westwood Boulevard, Le Conte Avenue and Hilgard Avenue to the intersection of Hilgard Avenue and Strathmore Drive.

Restrictions

No passengers shall be transported locally in the territory between the intersection of Federal Avenue and Wilshire Boulevard and the intersection of Broadway and Ocean Avenue.

No passengers shall be transported locally in the territory between the intersection of Fairfax Avenue and Wilshire Boulevard and the easterly terminus of said line at the intersection of Olive Street and 5th Street, both points inclusive, on either the going or returning route.

V. In making the changes authorized herein, there shall be no break in the continuity of service as at present rendered by either operator on any of the lines involved.

VI. The certificates of public convenience and necessity heretofore issued to Pacific Electric Railway Company and Los Angeles Transit Lines, under the name of Los Angeles Motor Coach Lines, as more specifically described in Exhibit "A" attached to the application, are hereby revoked and of no further force and effect.

VII. The lease and agreement covering the use of garage and motor coach terminal facilities adjacent to Venice Boulevard, near Vineyard Station, Los Angeles, as more particularly described in Exhibit "B" attached to the application, are hereby approved.

VIII. The agreement between Pacific Electric Railway Company and Los Angeles Transit Lines, under which the two parties propose to divide between themselves the interests granted by the City of Los Angeles Franchise Ordinance No. 90279, in order that the two parties will then hold individual and separate interests therein, as more particularly described in Exhibit "C", attached to the application, be and the same is hereby approved.

The effective date of this Order shall be five days after the date hereof.

Dated at San Francisco, California, this 12th day of April, 1949.

R. E. Ingraham
James F. Garner
Harold P. Hule
Fremont Pottier
COMMISSIONERS