

ORIGINAL

Decision No. 42416

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 LOS ANGELES TRANSIT LINES for)
 authority to exercise rights and)
 privileges under franchises granted) . Application No. 30192
 by the County of Los Angeles and by)
 the Cities of Los Angeles, Vernon,)
 Huntington Park, and South Gate.)

Max Eddy Utt and Stanley M. Lanham for applicant;
Carson B. Hubbard for the City of Vernon, and
T. E. Hoffman for the Department of Public
 Utilities and Transportation of the City of Los
 Angeles, interested parties.

O P I N I O N

Los Angeles Transit Lines, a California corporation, has previously been granted a certificate of public convenience and necessity to exercise a franchise issued by the City of Los Angeles by Ordinance No. 90343, adopted April 1, 1946, covering most of its street railway, trolley coach, and motor coach services rendered in said city⁽¹⁾. The present application requests an additional certificate of public convenience and necessity to exercise rights included in other franchises granted by said city and certain franchises granted by the County of Los Angeles and by the Cities of Vernon, Huntington Park, and South Gate, respectively.

(1) Decision No. 39163 on Application No. 27425.

The franchises granting the rights and privileges, which applicant asks this Commission to issue its certificate of public convenience and necessity to exercise, are issued pursuant to ordinances as follows:

County of Los Angeles franchises are granted by Ordinances Nos. 5237 (new series), dated December 7, 1948, for 25 years (pole line franchise for trackless trolley operations, City Terrace Drive, etc.); 4920 (new series), dated May 13, 1947, for 25 years (street car franchise, East First Street and Rowan Avenue); and 4288 (new series), dated September 28, 1943, for 25 years (street car franchise, Santa Fe Avenue south of the City of Vernon).

City of Los Angeles franchises are granted by Ordinances Nos. 94,372, dated January 11, 1949, and effective until May 12, 1967 (bus franchise, Mercury Avenue, etc.); 92,319, dated September 30, 1947, and effective until May 12, 1967 (rail loop franchise, First and Chicago Streets, etc.); and, 66,863, dated June 11, 1930, for 25 years (high line franchise).

City of Vernon franchises are granted by Ordinances Nos. 91, dated August 13, 1912, for 50 years (street railway franchise on Vernon Avenue); 381, dated May 17, 1926, for 50 years (street railway franchise, part of Leonis Boulevard); 521, dated November 1, 1938, for 50 years (street railway franchise, part of Leonis Boulevard); 576, dated December 5, 1944, for 50 years (street railway franchise on Santa Fe Avenue); and, 608, dated June 17, 1947, for 29 years (street railway franchise, part of Leonis Boulevard).

The franchise issued by the City of Huntington Park was granted by Ordinance No. 301, dated December 30, 1912, for a 50-year period and was a street railway franchise on Florence Avenue. The South Gate franchise was granted by Ordinance No. 373, dated December 19, 1938, for a 50-year period and was a street railway franchise over Seville Avenue and Palm Place.

Copies of each of the above-numbered ordinances were attached as exhibits to the application. Applicant alleged that public convenience and necessity require the exercise of the rights and privileges granted by said franchises. It was further stated that each of said franchises covers but a portion of its system which has been operating for many years under and pursuant to regulation by this Commission. Street railway operations were said to have commenced over most of said routes prior to the effective date of the Public Utilities Act and the franchises above referred to were granted, it was alleged, as renewals or extensions of pre-existing rights.

In connection with County of Los Angeles franchise, Ordinance No. 5237 (new series) covering the pole line for trolley coach operation on City Terrace Drive and other streets, operations over this route were alleged to have commenced on December 5, 1948, pursuant to a certificate of public convenience and necessity granted by Commission Decision No. 41633, on Application No. 29103.

City of Los Angeles franchise, Ordinances Nos. 92,319 and 94,372, were said to cover minor extensions of operative rights covered by Franchise Ordinance No. 90,343, aforesaid approved by this Commission by said Decision No. 39163. City of Los Angeles

Franchise Ordinance No. 92,319 covers street rail loop operations at First and Chicago Streets, and other places, and covers minor portions of applicant's "P" rail line and its "R" and "V" rail lines. City of Los Angeles Franchise Ordinance No. 94,372 is for bus operations on Mercury Avenue which has already been certificated by this Commission by Decision No. 38947 on Sixty-Fifth Supplemental Application No. 19179. City of Los Angeles Franchise Ordinance No. 66,863 covers the transmission of electrical power through various high lines which are a necessary facility for transmitting power to the various street railway lines from applicant's substations. These power lines, it is alleged, have been so operating, in most instances, for many years.

The franchises in the Cities of Vernon, Huntington Park, and South Gate all cover rail lines established many years ago, which, in many instances, connect with applicant's motor coach lines to furnish service throughout the City of Los Angeles.

The application alleges that as to each of the above franchises, public convenience and necessity have heretofore been established, and the present certificate is requested in order to dispel uncertainty which may exist as to the need for compliance with the terms of Section 50 (b) of the Public Utilities Act.

A public hearing was held before Examiner Rowe at Los Angeles, on September 23, 1949, at which time oral and documentary evidence was adduced, and the matter was submitted for decision.

The Director of Planning, of the Los Angeles Transit Lines, testified that all of the franchises referred to in the application were now in full force and effect. He further stated

that in no instance had applicant acted under the authority of any franchise ordinance without having previously procured from this Commission a certificate of public convenience and necessity authorizing the operation, except in cases where rights had accrued prior to the adoption of the Public Utilities Act. He said that the earlier franchises were presented now for approval because a check had indicated that no previous certificates had been procured from this Commission specifically authorizing applicant to exercise rights under them.

He also pointed out that many of the earlier franchises had been issued to the applicant in its former name of Los Angeles Railway Corporation, or City Railway of Los Angeles, a predecessor in interest. Likewise, the franchise issued by the City of Huntington Park had been granted to Victor G. Kleinberger and duly assigned to applicant. The fee provisions in the various ordinances are in line with those approved in Decision No. 39153, on Application No. 27425; that is, 2% of the proportion of the total gross receipts from the operation of street cars, and 2½% of gross revenues assigned in like manner for motor bus operations.

As was the case in said City of Los Angeles Franchise Ordinance No. 90,343, certain regulatory controls reserved to the city might be construed as possibly conflicting with authority of this Commission. Consequently, as in said Decision No. 39163, it appears appropriate to now declare that, in finding that public convenience and necessity justify the exercise of the various franchises, such action is without prejudice to the power and authority of the Commission hereafter to exercise fully all jurisdiction

vested in it by law with respect to the regulation of the operations and service of the applicant utility. Accordingly, the order herein made will be so conditioned.

O R D E R

Los Angeles Transit Lines, a street railroad corporation, as defined in the Public Utilities Act, having filed an application for a certificate to exercise the rights and privileges under street car, street car transmission, and bus franchises granted by the County of Los Angeles, and by the Cities of Los Angeles, Vernon, South Gate, and Huntington Park, and a public hearing having been had upon such application, the matter being considered, and it appearing to the Public Utilities Commission and being found as a fact that public convenience and necessity so require,

IT IS ORDERED that Los Angeles Transit Lines be, and it hereby is, granted a certificate of public convenience and necessity to exercise the rights and privileges granted by the County of Los Angeles by Ordinances Nos. 5237 (now series), adopted December 7, 1948; 4920 (now series), adopted May 13, 1947; and 4288 (new series), adopted September 28, 1943; by the City of Los Angeles by Ordinances Nos. 94,372, adopted January 11, 1949; 92,319, adopted September 30, 1947; and 66,862, adopted June 11, 1930; by the City of Vernon by Ordinances Nos. 91, adopted August 13, 1912; 381, adopted May 17, 1926; 521, adopted November 1, 1938; 576, adopted December 5, 1944; and 608, adopted June 17, 1947; by the City of Huntington Park by Ordinance No. 301, adopted December 30, 1912;

and by the City of South Gate by Ordinance No. 373, adopted December 19, 1938, this certificate, however, being subject to the following conditions:

1. That the franchise involved herein shall never be given any value before any court or other public authority in any proceeding of any character in excess of the cost to the grantee of the necessary publication and any other sum paid by it to the municipality therefor at the time of the acquisition thereof.
2. The certificate hereby granted shall not be considered a determination in any respect of and shall be without prejudice to, the power and authority of this Commission to regulate the applicant utility as provided by law.

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

Dated at San Francisco, California, this 18th day of October, 1949.

R. E. [Signature]
Justice J. Gaumer
[Signature]
[Signature]
[Signature]
 COMMISSIONERS