ORIGINAL

Decision No. 44584

DEPURE THE PUBLIC UTILITIES COLLISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHERN CITIES TRANSIT, INC., a)
California corporation, for a)
certificate of public convenience)
and necessity to operate over and)
along certain streets as extensions)
of existing routes, and for auth—)
ority to abandon certain portions)
of existing routes.

Application No. 31446

<u>opinion</u>

Southern Cities Transit, Inc., a corporation, is now operating a passenger stage service in Compton and vicinity and between Compton, Downey, and Bellflower. By this application authority is sought to make several minor route changes on four of its lines (Exhibit A). It also requests that an in lieu certificate be granted for the purpose of clarification of the many changes and amendments which have been heretofore (1) authorized.

There is no protest to the application. The City of Compton, Long Beach Motor Bus Co., Pacific Electric Railway Company, and the Bellflower Chamber of Commerce have written

⁽¹⁾ Applicant commenced operation by acquisition of operating rights from Guy C. Lyons and Lawrence P. Goltra, copartners, doing business as Highland Transportation Company (Dec. No. 38181, dated August 28, 1945). Decisions affecting operating rights issued to applicant's predecessors are Nos. 20921, 24103, 29341, 29624, 33561, 33935, 35591, and 37485. Decisions subsequently granted to applicant, pertaining to operating rights, are Nos. 38741 (this is a joint decision which also grants rights to Charles B. Holbrook), 40130, 41230, 41655, 43393, and 43771. Ordering paragraph (3) herein will, by reference, revoke all of the above numbered decisions in so far as they pertain to operative rights heretofore granted to or acquired by Southern Cities Transit Lines, Inc.

proposed appear to be necessary for an improved service, the application will be granted. A public hearing is not necessary.

A review of applicant's operating rights indicates the need for retention of a restriction prohibiting local traffic between the intersections of Main Street and Paramount Boulevard and the intersection of Imperial Highway and Rives Avenue. This portion of the Hollydale-Downey Line serves the Rancho Los Amigos (2)

Southern Cities Transit, Inc., a corporation, is hereby placed upon 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 granting of such rights. Saide 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.

ORDER

Application having been made, the Commission being fully advised in the premises and finding that public convenience and necessity so require,

⁽²⁾ The restriction was incorporated in Decision No. 29624 and, due to subsequently authorized route changes, it now applies only between the said intersections.

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mission, and each of said decisions (enumerated in footnote (1)),

in so far as it grants authority to Southern Cities Transit, Inc.

or its predecessors to establish and operate a passenger stage

service, is hereby annulled and revoked. In all other respects said decisions shall remain in full force and effect.

(4) That, at least five (5) days prior to the establishment of the changes in service hereinabove authorized, applicant shall post plainly visible notices of the route changes at its terminals and in all of its buses.

Dated at Naur Massessa.

Justers J. Ceacurer Jarolet Huls

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