

# ORIGINAL

Decision No. 45623

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
Pacific Electric Railway Company for )  
authority to increase fares. )

THIRD PETITION TO  
MODIFY AND AMEND

Investigation on Commission's own )  
motion, fares, service, etc. of )  
Pacific Electric Railway Company, )  
et al. )

Decision No. 41152  
Application No. 27466  
Case No. 4843

Colonel K Charles Bean, Chief Engineer & General  
Manager, Department of Utilities & Transportation,  
and Roger Arnebergh, Assistant City Attorney, on  
behalf of City of Los Angeles, appearing for City  
of Los Angeles, Interested Party;

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California, appearing for City of Pasadena, Interested  
Party;

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Applicant.

## INTERIM OPINION AND ORDER ON THIRD PETITION TO MODIFY AND AMEND DECISION NO. 41152

By the terms of the Commission's order of its Decision  
No. 41152, dated January 19, 1948, in the above-entitled proceedings,  
Pacific Electric Railway Company was:

Authorized to increase certain of its passenger fares;  
and  
Coincident therewith the company was ordered to comply  
with the provisions of certain recommendations as set  
forth in Exhibit No. 32 in this proceeding.

In the company's third petition to modify and amend said  
Decision No. 41152, it seeks an order finding that certain of the  
recommendations have been complied with <sup>(1)</sup> and as to others, <sup>(2)</sup> the  
order be modified based upon developments and changed conditions  
that have taken place subsequent to the time the order was issued.

A public hearing was held at Los Angeles, February 1,  
1951, at which time the matter was taken under submission and it  
is now ready for decision.

It will be the plan of this opinion to first discuss  
the testimony as related to those recommendations, excepting No. 6  
(Loading Standards), wherein the company seeks certain modifica-  
tions of the provisions of the order in Decision No. 41152. As  
for Recommendation No. 6, that will be the subject of further con-  
sideration by the Commission. In view of the magnitude of the  
record dealing with the request for modification of the order with

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(1) Recommendations Nos. 1, 2, 3, 4, 5, 7, 8, 9, 13, 20, 21, 23,  
28, 30, 33, 35, 40, 41, 42 and 43.

(2) Recommendations Nos. 6, 10, 11, 12, 14, 24, 25, 26, 27, 29,  
34, 36, 37, 38 and 39.

respect to Recommendations Nos. 11 (Crossing Signal Controls) and 24, (Track Rehabilitation) this testimony will be discussed in advance of that which relates to other recommendations in this group.

After discussing the record as related to the group of recommendations referred to above, consideration will be given to the testimony dealing with those which the company alleged have been complied with, to be followed by a brief discussion of the recommendations which are contained in the opinion but not carried  
(3)  
into the order.

RECOMMENDATIONS WHERE CHANGE IN THE ORDER IS SOUGHT  
NOS. 10, 11, 12, 14, 24, 25, 26, 27, 29, 34, 36, 37, 38 & 39.

Recommendation No. 11

Referring to Recommendation No. 11, the order provides that Pacific Electric Railway Company shall within two years from the effective date thereof:

"Install proper control circuits at all existing grade crossings presently protected with warning signals so that such warning devices will remain in continuous operation from the time train approaches crossing until last car in train has passed over said crossing. Also, there should be no further exemption to the provisions of Commission's General Order 75-B in any future grade crossing installations. The betterment resulting from such installations should be charged to sub-account to Account 517-Signals and Interlockers freight, and amortization of such betterment charged in its entirety to freight operations."

The record shows that a total of 588 grade crossings on the company's lines are located on private rights of way protected by automatic grade crossing signals. Eighty-one of these crossings are programmed for abandonment under the modernization program.

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(3) Recommendations Nos. 15, 16, 17, 18, 19, 22, 31 and 32.

Thirty-nine additional crossings are located on exclusive passenger service lines. This leaves a total of 468 crossings on lines over which joint passenger and freight or exclusive freight operations are conducted. Of this number, 175 crossings or 37% have not been equipped to conform with this recommendation. There remains a total of 293 crossings where signal protection is controlled by trolley contactors and therefore require installation of track circuits to comply with Recommendation No. 11. Of this group of 293 crossings there are a number where the present signals were installed on specific authority of the Commission.

Subsequent to the time the Commission issued said Decision No. 41152, dated January 19, 1948, action has been taken on Pacific Electric Railway Company's Application No. 30095 wherein the company sought authority and was granted permission to make certain changes in its rail and motor coach operations primarily by substituting motor coach for rail service on a number of lines. By Decision No. 44161, dated May 9, 1950, the company was authorized, among other things, to discontinue rail passenger service on all or a portion of nine lines. In each case motor coach service was provided as a substitute for the rail operation. In addition, the company was authorized to abandon its rail service on seven routes.

The record shows that the company has been experimenting with photo-electric cell controls and radio detector devices to actuate traffic signals, with the view of developing a method of complying with the Commission's order at a much less cost than

would be the case if conventional track circuits were installed. However, the results of these experiments do not justify the employment of such facilities due to the large percentage of failures during the trial period.

The revised plan of operation, approved by said Decision No. 44161, presents a materially different situation today than obtained at the time the order was issued in Decision No. 41152 in two major respects. One arises from the substitution of motor coach for rail operation on a number of lines, and the other, from the fact that the company is now planning on revising its freight motive power from electric to diesel motors. The company's diesel program calls for the purchase of 34 diesel locomotives in the next seven years, at a total estimated cost of \$5,110,000, the deliveries to be scheduled as follows:

1951 - 6 units, 1952 - 7 units, 1953 - 6 units

1954 - 5 units, 1955 - 6 units, 1956-57 - 4 units

As these locomotives are received, the various lines will be converted from electric operation to diesel power and the trolley overhead will be removed. In addition to the replacement of electric motors with diesel, the company plans to replace a number of steam locomotives with diesel, particularly in the Harbor District. The particular lines involved are shown on the tabulation in Footnote 4. If this revised motive power plan is carried out, it will present a changed situation with respect to actuating traffic signals due to the elimination of electrical overhead trolley wire. In view of the large expenditure involved in carrying out the provisions of Recommendation No. 11, the company now requests that the order be modified to provide that it be permitted to

spread the prescribed grade crossing signal improvements over a five-year period, involving a total expenditure of \$978,420.<sup>(4)</sup> Under this plan the company proposes to schedule the improvements on a priority basis, selecting the locations in order of the most

(4) Company's proposed grade crossing improvement program as of January 1, 1951

<u>Line</u>	<u>Between</u>	<u>Estimated Cost</u>	<u>Number of Crossings</u>
<u>1951</u>			
*Monrovia-Glendora	Arcadia-Glendora	\$ 49,500	20
*Newport	N.Long Beach-Newport Beach	91,850	36
*La Habra	Los Nietos-Yorba Linda	57,750	21
		<u>\$199,100</u>	<u>77</u>
<u>1952</u>			
Long Beach	Los Angeles-Watts	\$ 67,780	12
* " "	Long Beach-Wilmington	17,280	3
*Fullerton	Laon Jct.-Fullerton	11,000	3
*Santa Ana	Bellflower-Santa Ana	76,450	28
*El Segundo	So.L.A.-El Segundo	19,800	8
		<u>\$192,310</u>	<u>54</u>
<u>1953</u>			
Long Beach	Watts-Willow Street	\$ 88,640	16
*Whittier	Los Nietos-Whittier	9,900	4
Santa Ana	Watts-Bellflower	16,860	9
*El Segundo	Watts-So. Los Angeles	38,500	14
*Torrance	So.L.A.-Western Ave.	19,250	7
* " "	Hermosillo-San Pedro	11,000	4
Wingfoot Branch		1,590	1
		<u>\$185,740</u>	<u>55</u>
<u>1954</u>			
*Whittier	Slauson Jct.-Los Nietos	\$ 49,500	18
*Santa Monica Air	Butte St. Yard-Sta.Monica	75,900	30
*Alla Branch	Culver Jct.-Alla	24,750	9
*Inglewood	Santa Monica-Inglewood	13,750	5
*Soldiers Home	Home Jct.-Sta.Monica Blvd.	5,500	2
Beverly Hills	Beverly Dr.-Croft Ave.	9,120	4
* " "	W.Los Angeles-Beverly Dr.	24,750	9
		<u>\$203,270</u>	<u>77</u>
<u>1955</u>			
*San Bernardino	Valley Jct.-San Bndo.	198,000	73
		<u>\$978,420</u>	<u>336</u>

\* To be converted to Diesel operation.

urgent public need to reduce the potential grade crossing hazard and on the lines where it has been determined as to the future motive power for freight operation. It may be noted that the schedule shown in Footnote 4 calls for the improvement of 336 grade crossings, or 43 more than the 293 referred to in the company's testimony. This comes from the fact that changing from electric to Diesel power will involve conversion from short-track to full-track circuits on the additional 43 crossings.

While no testimony was offered in this record to oppose granting the company's request for an extension of time in which to comply with the provisions of Recommendation No. 11, the Commission must determine this issue in the light of the prevailing conditions. At the time the Commission made its order in said Decision No. 41152, there was no program before us dealing with the matter of converting many of the rail lines involved herein from electric to Diesel motive power. This subsequent development, primarily in the interest of economy, presents an entirely different problem as related to Recommendation No. 11. The record before us shows that there would be a substantial and unwarranted economic waste if track circuits are now installed to actuate traffic signals from overhead electric lines on routes where it is apparent that under the modernization program rail operation over such lines will be converted to Diesel power within the near future, which will necessitate material changes in the type of grade crossing signal track circuits. Notwithstanding the fact that for the most part the present grade crossing signals involved herein have been functioning under the present arrangement over a period of years, it will be the objective of the Commission to see that the grade crossing improvements referred to in Recommendation 11 are complied with at the earliest practicable time. In the light of the

modernization program now under way the Commission is agreeable to extend the time in which the company will be required to comply with the provisions of Recommendation No. 11. Accordingly the company will be expected to determine at the earliest practicable date the lines which are to be converted from electric to diesel power and immediately thereafter equip such routes with appropriate track circuits to actuate traffic signals during the time the crossing is occupied by a train. Under the company's program it is proposed to improve the San Bernardino line during the year 1955. It appears from this record that this line should be one of the first on which the grade crossing signal protection should be improved. Future developments may require other changes in the company's proposed schedule in the interest of providing the public the greatest benefit. It will be the order of the Commission that the company invest not less than \$200,000 each year, beginning with 1951, until the entire program as related to Recommendation No. 11 is completed.

Recommendation No. 24

Service Recommendation No. 24 provides that:

"The Company shall within six months from the effective date of the order, report to the Commission as to its plan of compliance therewith showing both method and estimated time of completion in carrying out a program of track rehabilitation substantially in accordance with the schedule set forth in Table No. 14 of Exhibit No. 32 of this proceeding."

Table No. 14 of Exhibit 32 in Case 4843 outlines a proposed schedule of track rehabilitation on the lines over which passenger service is conducted during both a "Five-Year Period"



and "Ultimate Plan". This schedule shows the locations where the work is to be performed, type of improvement involved and estimated cost thereof. The total estimated cost of carrying out the "Five-Year Plan", as of the date the study was made during the early part of 1947, is \$4,922,125, and for the "Ultimate Plan", an additional investment of \$3,192,601; making a total of \$8,114,726 to carry out the entire program. The figure of \$4,922,125 includes improvements estimated to cost \$2,488,899 on the following lines on which passenger service has since been abandoned by authority of the Commission.

Venice Short Line	\$ 225,044	Baldwin Park-Covina	\$ 593,745
San Vicente Blvd.	41,775	Long Beach-San Pedro	23,500
Glendora	467,938	Santa Ana	
Oak Knoll	287,366	(Bellflower-Santa Ana)	636,781
Sierra Madre	212,750		\$2,488,899

Thus the original estimate may be reduced to \$2,433,226 for the lines on which passenger service is presently rendered as shown by the record herein.

Paragraph (6) (b) of the order in said Decision No. 44161 as related to the lines involved therein provides:

"On lines and routes where rails are to be continued, the track shall be brought to a standard of maintenance reasonably comparable with the requirements of the traffic."

The record shows that the matter of track rehabilitation has been the subject of a number of conferences participated in by representatives of various cities, the company, and the Commission's staff.

A committee was appointed, consisting of representatives of both the Board of Public Works, and Board of Public Utilities and Transportation of the City of Los Angeles, the company, and the Commission's staff, with the objective of developing a suggested

program of track rehabilitation to apply on the company's tracks laid in Santa Monica Boulevard. It is this committee's recommendation that the line between Highland Avenue and Gordon Street be reconstructed immediately. The record shows that the track in Santa Monica Boulevard from Highland Avenue easterly to Seward Street is now under process of reconstruction. It appears that the company's present five-year program involves a total estimated expenditure of \$3,063,584, which can be compared with the items included in the prior estimate amounting to \$2,433,226 shown above. This work includes heavy maintenance (exclusive of normal maintenance), as well as reconstruction projects. The following tabulation shows a segregation of such improvements:

	<u>Major Reconstruction</u>	<u>Heavy Maintenance</u>	<u>Total</u>
Long Beach Line	\$ -	\$ 370,986	\$ 370,986
San Pedro Line	-	150,976	150,976
Glendale-Burbank Line	471,754	26,348	498,102
Hollywood Blvd. Line	100,138	25,500	125,638
Santa Monica Blvd. Line	808,900	-	808,900
Hollywood-Van Nuys Line	231,000	25,612	256,612
Santa Ana Line	105,000	-	105,000
Pasadena Short Line	464,474	75,296	539,770
Cleaning Rights of Way and Weed Killer	-	207,600	207,600
	<u>\$2,181,266</u>	<u>\$ 882,318</u>	<u>\$3,063,584</u>

The company alleges that all tracks on its system over which passenger service is presently conducted are now maintained in a safe operating condition and in general conform to a standard of maintenance reasonably comparable with requirement of traffic as prescribed in said Decision No. 44161.

The track improvements involved in Recommendation No. 24 are directed primarily to lines over which passenger service is conducted for the reason that good passenger service is dependent upon safe and reasonably fast operation. To meet these requirements it is necessary that the tracks be constructed and maintained at high levels of standards. Subsequent to the time the Commission made its order in Decision No. 41152 the company has been authorized to carry

out a modernization program which provides for the substitution of motor coach for rail operation on many of its lines. In fact, there is still pending before this Commission matters which involve further extension of the program of substituting motor coach for rail passenger service. This changed situation justifies a re-appraisal of the matter as related to Recommendation No. 24. To this end the company will be allowed the necessary time in which to rehabilitate the lines over which passenger service is to be continued with the provision that on all lines where rails are to be continued, the track shall be brought to a standard of maintenance in keeping with the requirements of the traffic.

It appears from this record that the company should be required to invest annually, as a minimum, \$600,000 for track rehabilitation, exclusive of normal maintenance until the rail lines over which passenger service is conducted have been brought up to the standard contemplated in the schedule shown above.

Recommendations Nos. 10, 12, 14, 25, 26, 27, 29, 34, 36, 37, 38. & 39

The following tabulation shows in summary form, as reflected on the record, the status of items involved in each of the above-numbered recommendations with respect to compliance therewith or changed conditions which the company urges as a justification for a modification of the order, together with a general concluding statement:

<u>Rec. No.</u>	<u>Item and Status</u>	<u>Findings</u>
10	<u>Relocation of Passenger Landings</u> - Complied with except where traffic signals are not actuated by passing trains or where abandonments were contemplated in Application No. 30095. With respect to the Santa Ana Line from Watts to Bellflower, the Pasadena Short Line and Van Nuys Line from North Hollywood to Van Nuys, the work will be completed by January 1, 1952. It has not been practicable to complete the work on the Pasadena Short Line until the Monrovia-Glendora Line has been abandoned and the two outside tracks between Sierra Vista and Indian Village have been removed.	This recommendation should be modified to provide for the completion by January 1, 1952.

(Continued)

<u>Rec. No.</u>	<u>Item and Status</u>	<u>Findings</u>
12	<u>Electric Switches</u> - Complied with except where abandonments have been made.	Complied with.
14	<u>Improved Power on Glendale and Sierra Madre Lines</u> - The Sierra Madre Line has been abandoned. No additional facilities have been installed on the Glendale Line, however, the power situation is reasonably adequate today.	This recommendation should be canceled.
25	<u>Additional Tracks in the Vicinity of Echandia Junction</u> - Abandonment of rail service has eliminated the necessity for these tracks.	This recommendation should be canceled.
26	<u>Additional Tracks and Block Signals on the North Hollywood Line</u> - Complied with except for the second track between North Hollywood and Van Nuys. This section is now controlled by block signals or light circuits. The record shows that the second track is not economically justified in view of fact that the Commission ordered retention of rail service on this line in Decision No. 44161 on basis of no further major expenditures.	This recommendation should be modified to eliminate the necessity for constructing the second track.
27	<u>Centralized Traffic Control (C.T.C.) on the Santa Ana Line</u> - Abandonment of passenger service between Bellflower and Santa Ana has eliminated the necessity of C.T.C. for that portion of the route. Decision No. 44161 ordered company to retain service between Los Angeles and Bellflower and this was on the basis of no further major expenditures to be made on that line.	This recommendation should be canceled.
29	<u>Second Track on Burbank Line</u> - Complied with between Arden Junction and Central Avenue. The record shows that this, together with the new second track at the Burbank end of the line, eliminates the necessity for double track on the remainder of route.	The order should be modified to cancel the requirement for the double track between Central Avenue and Providencia.
34	<u>Off-Street Motor Coach Terminals at Pasadena and Whittier</u> - The terminal at Whittier is in operation. At Pasadena the motor coaches take their layovers at the car house and there is no further justification for an off-street terminal.	The order should be modified to eliminate the necessity for the construction of an off-street terminal at Pasadena.

(Continued)

<u>Rec. No.</u>	<u>Item and Status</u>	<u>Findings</u>
36	<u>Car Shop Facilities at Macy Street -</u> Rail abandonments have eliminated the necessity for changes.	The order should be modified to cancel this recommendation.
37	<u>Motor Coach Garage Facilities at Macy Street -</u> The company has installed the automatic bus washer and is presently proceeding with extensive improvements which will cost \$217,000 to be completed by November 1, 1951	The limit for the completion of this order should be extended to January 1, 1952.
38	<u>Motor Coach Garage at Ocean Park -</u> New Facilities, which could not be started until the Venice Short Line was abandoned, are now under construction at a cost of approximately \$306,000 to be completed in July 1951.	The order should be modified to provide for an extension of time, to comply with this recommendation until July 31, 1951.
39	<u>Motor Coach Storage and Servicing Facilities in San Fernando Valley -</u> Storage facilities have been provided, and the record shows that it is more economical to service the buses at Macy Street than in the San Fernando Valley.	The order should be modified to eliminate the provision of servicing facilities in San Fernando Valley.

RECOMMENDATIONS COMPANY CONTENTS HAVE BEEN COMPLIED WITH:

Nos. 1, 2, 3, 4, 5, 7, 8, 9, 13, 20, 21, 23, 28, 30, 33,  
35, 40, 41, 42, 43.

Following is a brief summary of the record as to the status of the various recommendations involved in the group where it is contended compliance has been met.

<u>Rec. No.</u>	<u>Item</u>	<u>Status</u>
1	<u>Managerial Authority</u>	The record shows that the Management has the same authority customarily found in other subsidiaries of the Southern Pacific Company.
2	<u>Modern Techniques and Trained Men</u>	Organization has been revamped and new personnel brought in. Some room for improvement in technique of motor coach maintenance.

(Continued)

Rec. No.	Item	Status
3	<u>Schedule Department</u>	Complied with.
4	<u>Improved Supervision</u>	Supervision has been improved considerably.
5	<u>Safety Program</u>	Complied with.
7	<u>Express Service</u>	Complied with.
8	<u>Delays Caused by Freight Trains</u>	Except for occasional man failure, the delays to passenger operations caused by freight trains have been reduced to a reasonable minimum.
9	<u>Elimination of Speed Restrictions by Closing or Protecting Grade Crossings</u>	The company has made a conscientious effort to comply with this recommendation but the ultimate plan can be attained only through a continuation of such effort together with the cooperative effort of the political subdivisions affected and this Commission.
13	<u>Sixth and Main Terminal</u>	The removal of the Watts-Sierra Vista trains from Main Street and their operation into the terminal from San Pedro Street are in compliance with this recommendation as is the construction of the new bus terminal on Los Angeles Street. This recommendation has been substantially complied with particularly in view of the abandonments authorized by this Commission.
20	<u>Replacement Program For Cars</u>	As a result of the abandonment program, all types of cars mentioned in this recommendation have been withdrawn from service with the exception of the series. These cars have been rehabilitated at the company's expense and their estimated life ends on December 31, 1955. The company is depriving the public of the use of this equipment on the basis of estimated service life. No steps have been present to provide for replacement of cars in 1955, and in view of the unsettled conditions in the transportation field, whether such steps will be taken at this time.
21	<u>Kerosene Lanterns</u>	Complied with.

*CORRECTION*

# **CORRECTION**

**THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY**

(Continued)

<u>Rec. No.</u>	<u>Item</u>	<u>Status</u>
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4	<u>Improved Supervision</u>	Supervision has been improved considerably.
5	<u>Safety Program</u>	Complied with.
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9	<u>Elimination of Speed Restrictions by Closing or Protecting Grade Crossings</u>	The company has made a conscientious effort to comply with this recommendation but the ultimate plan can be attained only through a continuation of such effort together with the cooperative effort of the political subdivisions affected and this Commission.
13	<u>Sixth and Main Terminal</u>	The removal of the Watts-Sierra Vista trains from Main Street and their operation into the terminal from San Pedro Street are in compliance with this recommendation, as is the construction of the new bus terminal on Los Angeles Street. This recommendation has been substantially complied with particularly in view of the rail abandonments authorized by the Commission.
20	<u>Replacement Program For Cars</u>	As a result of the abandonment program, all types of cars mentioned in this recommendation have been withdrawn from service, with the exception of the 300-400 series. These cars have been rehabilitated at the cost of \$7500 each and their estimated service life ends on December 31, 1955. The company is depreciating this equipment on the basis of the estimated service life; however, no steps have been taken to provide for replacement of these cars in 1955, and in view of the present unsettled conditions in the transportation field, it is doubtful whether such steps should be taken at this time.
21	<u>Kerosene Lanterns</u>	Complied with.



(Continued)

<u>Rec. No.</u>	<u>Item</u>	<u>Status</u>
23	<u>Safety Stops</u>	Complied with.
28	<u>Changes at Burbank Station and Double Track from Burbank Station to Providencia</u>	Complied with.
30	<u>Storage Facilities on Burbank Line</u>	Complied with.
33	<u>Arrowhead Springs Line</u>	Disposed of by Decision No. 42321.
35	<u>Cleanliness in Station Rest Rooms</u>	The company has improved this situation considerably. There is still room for further improvement. Much of the responsibility rests upon the public using these facilities.
40	<u>Provide Rail Facilities on the East By-pass</u>	Abandonment of most of the rail service on the Northern Division has eliminated to some extent the necessity for this recommendation. Furthermore, the plans for the construction of the East By-pass are most indefinite at the present time.
41	<u>Rail Facilities on the Hollywood Freeway</u>	Construction of the Hollywood Freeway was too far advanced for provision for rail facilities.
42	<u>Rail Facilities on the Santa Monica Freeway</u>	Construction of the Santa Monica Freeway is in the distant future and whether rail facilities will be provided thereon is problematical.
43	<u>Future Plans</u>	Complied with.

RECOMMENDATIONS REFERRED TO IN THE OPINION ONLY:  
Nos. 15, 16, 17, 18, 19, 22, 31, 32.

In addition to the above recommendations which were contained in the order in Decision No. 41152, there were other recommendations mentioned in the opinion but not made a part of the order. These are listed below together with a statement as to the progress that has been made.

<u>Rec. No.</u>	<u>Item</u>	<u>Status</u>
15	<u>One-man Operation</u>	Complied with.
16	<u>Ground Loaders</u>	The company has placed either ground loaders or change-makers at strategic points.
17	<u>Fifty Additional PCC Cars</u>	Abandonment of rail lines has eliminated the necessity for the purchase of additional cars.
18	<u>Conversion of 600-700 Type Cars to One-man Operation</u>	Complied with.
19	<u>Abandonment of Wooden Cars</u>	Complied with.
22	<u>Box Motor Operations</u>	Company has made substantial reductions in the number of box motor operations.
31	<u>Shuttle Motor Coach to Sierra Madre</u>	Complied with and all rail operations since abandoned.
32	<u>Motor Coach Operation on Long Beach-San Pedro Line</u>	Complied with.

The record shows that, subsequent to the time Decision No. 41152 was issued January 19, 1948 in the above-entitled proceedings, the Pacific Electric Railway Company has invested or been authorized to invest \$6,679,924 in facilities to improve the passenger operations. Of this amount \$5,482,120 has already been spent. This investment has included the purchase of new motor coaches, conversion of rail cars for one-man operation, construction of new terminals, stations, garages and other facilities.

During April, 1948, the company purchased and placed in service 25 additional motor coaches at a cost of \$437,500. This investment, it is alleged, was made necessary in order to conform with the loading standards prescribed by the Commission.

P. 3. 7.

The company is now ~~giving~~ giving consideration to a revision of its motive power from electric to diesel on all exclusive freight lines. This contemplates ultimate diesel operation within approximately the next five years upon exclusive freight lines.

Subsequent to the issuance of said Decision No. 41152, hearings have been held and orders issued on the company's Application No. 30095 which dealt primarily with a plan of substituting motor coach for rail operation on a number of the company's lines. By Decision No. 44161, dated May 9, 1950, the company was authorized to make changes in its system of operation, including the abandonment of certain rail lines and the establishment of motor coach service as a substitute therefor. These changes have a material bearing on the matters under consideration in this Third Petition, seeking certain changes in the Commission's order of its Decision No. 41152 with respect to various recommendations contained therein.

In the light of the changes that have taken place subsequent to the time the Commission issued its order specifying, among other things, the manner in which the Pacific Electric Railway Company was required to carry out the various service recommendations referred to in Decision No. 41152, the Commission finds as a fact upon this record that:

- (a) in some cases compliance with mandatory requirements has been completely or substantially met; and
- (b) in other cases, the provisions for compliance with mandatory requirements should be changed.

The following order will provide for a revision of said Decision No. 41152 with respect to the carrying out of Recommendations Nos. 10, 11, 14, 24, 25, 26, 27, 29, 34, 36, 37, 38 and 39; as for the other recommendations set forth in Decision No. 41152, with the exception of No. 6, said matters shall be deemed resolved for the purpose of this proceeding.

O R D E R

Public hearings having been held on the third petition to modify and amend Decision No. 41152 in the above-entitled proceedings, based upon the evidence received and upon the conclusions set forth,

IT IS HEREBY ORDERED that Decision No. 41152 be modified as follows:

I. With respect to compliance with Recommendation No. 11, dealing with control circuits to actuate grade crossing signals, the order is modified to provide that:

- (a) Pacific Electric Railway Company shall proceed with all reasonable dispatch to install proper circuit controls at all existing grade crossings presently protected with warning signals so that such warning devices will remain in continuous operation from the time the train approaches the crossing until the last car in the train has passed over said crossing.
- (b) The order of selecting the crossings to be provided with such control circuits shall be on a basis of priority where the public will receive the greatest benefit from the standpoint of reducing potential grade crossing hazard at such crossings. The company's program should be revised so as to include the San Bernardino line in the first group of grade crossings to be improved.
- (c) In compliance with this recommendation, the company shall invest not less than \$200,000 annually, commencing in 1951, until the program is completed.

II. With respect to compliance with Recommendation No. 24, dealing with the matter of carrying out a track rehabilitation program, the order is modified to provide that:

- (a) On lines where passenger rail service is conducted, the tracks shall be improved and maintained at a standard reasonably comparable with the requirements of the traffic.

- (b) The company shall invest annually, as a minimum, \$600,000 for track rehabilitation, exclusive of normal maintenance, until the rail lines over which passenger service is conducted have been brought up to the standard contemplated in the schedule shown in the foregoing opinion.
- (c) This program shall carry out the plan of improvement referred to in the foregoing opinion with respect to reconstructing the tracks along Santa Monica Boulevard between Highland Avenue and Gordon Street in the City of Los Angeles.

III. With respect to compliance with Recommendations Nos. 10, 37, and 38, the order is modified to provide that:

- No. 10--Passenger Landings, extend time for completion to January 1, 1952.
- No. 37-- Macy Street Garage, extend time for completion to January 1, 1952.
- No. 38-- Ocean Park Garage, extend time for completion to August 1, 1951.

IV. With respect to compliance with Recommendations Nos. 14, 25, 26, 27, 29, 34, 36, and 39, the order in Decision No. 41152 is rescinded as it applies to any uncompleted portion of each of these service provisions.

V. With respect to compliance with Recommendations Nos. 1, 2, 3, 4, 5, 7, 8, 9, 12, 13, 20, 21, 23, 28, 30, 33, 35, 40, 41, 42, and 43 involved in Decision No. 41152, the matter will be considered closed for the purpose of this proceeding, with the understanding that the staff will be instructed to keep in close touch with this situation and report any conditions that appear to require further action by this Commission.

VI. In all other respects said Decision No. 41152 as modified shall remain in full force and effect.

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

Dated at San Francisco, California, this 24th  
day of April 1951.

A. Z. Zimmerman  
Justus F. Adams  
Harold A. Kula  
Samuel E. Potters  
John L. Mitchell  
COMMISSIONERS