

ORIGINALDecision No. 47565

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 PACIFIC ELECTRIC RAILWAY COMPANY, a)
 corporation, for authority to re-)
 place rail service on its Los Angeles-)
 Van Nuys and Los Angeles-West)
 Hollywood Lines with motor coach)
 service.)

Application No. 33243

E. D. Yeomans, for applicant. Bob Driscoll
 and William P. Baer, Transportation Committee for
 Panorama City Merchants Association, Charles H.
Thorpe and Elliot Fagerberg, for Citizens Committee
 of Metropolitan Los Angeles, Hanna & Morton by
Max K. Jamison, for Cooperative Building Materials,
 Inc., and Loeb & Loeb by Walter S. Hilbor, for United
 Studios, Inc., protestants. Roger Arnebergh,
 Assistant City Attorney, and T. M. Chubb, General
 Manager, and R. W. Russell, Assistant General
 Manager, Department of Public Utilities & Trans-
 portation, City of Los Angeles, Oscar A. Trippet
 for Hollywood Bowl Association, Don L. Campbell
 and Rodney F. Williams, for Asbury Rapid Transit
 System, George Langsner and J. W. Greathead, State
 Division of Highways, Thomas E. Boswell and
Don H. Sheets, Local Chairman, for Brotherhood
 of Railroad Trainmen, Carl F. Fennema, Transporta-
 tion Director, for Downtown Businessmen's Associa-
 tion, and David D. Canning, for Los Angeles Transit
 Lines, interested parties.

O P I N I O N

The Pacific Electric Railway Company proposes herein
 to replace its passenger rail service on its Los Angeles-Van Nuys
 and Los Angeles-West Hollywood Lines with motor coach service,
 to discontinue motor coach service between the intersections
 of Sunset Boulevard and Santa Monica Boulevard and Sunset

Boulevard and Vermont Avenue, and to change the routing of the present Echo Park Avenue-Hill Street-Venice Boulevard Line No. 91. The application alleges that the proposed replacement of passenger rail service by motor coaches is occasioned by various street, highway and freeway construction projects now in progress or contemplation, and that motor coaches can provide an improved service to the public and better the financial position of the applicant company. It further alleges that the discontinuance of motor coach service along Sunset Boulevard between Santa Monica Boulevard and Vermont Avenue is desirable because that portion of the route is paralleled by the Hollywood Boulevard rail line, and the changes in routing of the Echo Park Avenue-Hill Street-Venice Boulevard Line No. 91, are proposed to join that line with a new motor coach line to be established in lieu of rail passenger service to Van Nuys, should this application be granted.

Public hearings were held before Examiner Syphers at Los Angeles on June 5 and 6, 1952.

The proposal of applicant and the reasons therefor were presented by the testimony of the assistant to the vice president of the applicant company. Exhibit No. 3 is a report of a study made by this witness relating to the instant problem. He contended that the principal reasons for granting the applicant's proposal were to be found in the decreasing traffic on the rail lines involved, both as to number of passengers, car miles, and number of rail cars required, the fact that the operations are being conducted at a loss, and estimated results of operations with motor coaches show that the applicant's

financial position would be improved, the present condition of the rails is such as to require costly track reconstruction, and the proposed motor coaches will provide an adequate and more desirable substitute.

On the Van Nuys Line the applicant used 25 cars in 1950, and at present uses 19. On the West Hollywood Line there were 11 cars in 1950, now there are 8. The number of passengers has decreased as shown by the comparisons for the month of March of each year since 1950:

	<u>March 1950</u>	<u>March 1951</u>	<u>March 1952</u>
Van Nuys Line	489,613	378,589	301,243
West Hollywood Line	261,291	199,728	152,868

The total number of passengers for these years is as follows:

	<u>1950</u>	<u>1951</u>	<u>First 3 months of 1952</u>
Van Nuys Line	5,258,382	4,290,103	909,209
West Hollywood Line	2,717,207	2,196,416	470,215

The witness further testified that prior to 1950 statistics for the individual lines are not available since the two lines involved were combined as one operating group prior to that year. However, the figures for the combined group were presented and showed a steady decline from 1946 to 1950 as to revenue passengers, car miles, and passenger revenue.

In 1950 the Los Angeles-Van Nuys Line incurred a loss of \$255,269, and in 1951 a loss of \$279,758. The Los Angeles-West Hollywood Line incurred a loss of \$136,629 in 1950,

and a loss of \$138,561 in 1951. The witness estimated that to continue these rail operations would result in a yearly loss of \$241,216 on the Los Angeles-Van Nuys Line, and \$123,534 on the Los Angeles-West Hollywood Line. To bring these operations to a break-even point would require a passenger fare increase of 47%. Furthermore, taking into consideration the effect these proposed changes will have on the Subway-Hollywood Boulevard-Beverly Hills Rail Line and the Vermont Avenue-Echo Park Avenue-Hill Street-Venice Boulevard Motor Coach Line, the estimated results of operations show that to continue as at present will result in an annual loss, as to the above-mentioned two lines and the two lines here under consideration, of \$622,323. Under the proposed operations this loss would be decreased to \$157,566.

If these proposals are put into effect, then, the witness estimated, the yearly financial losses of applicant would be lessened to \$88,389 on the Los Angeles-West Hollywood Line, and \$5,604 on the Los Angeles-Van Nuys Line. It should be noted that if passenger service on these two rail lines is discontinued, some of the costs now allocated to them will be charged to other rail lines. Exhibit No. 6 is a summary of such costs and shows that the Glendale line would be required to absorb additional costs of \$25,162 per year, and the Hollywood line \$50,137, or a total of \$75,299 for both lines. However, these additional costs for the other remaining lines were said to be far less detrimental to the applicant company than the continuance of the losses now being suffered.

If the rail operations are to continue, the witness was of the opinion that extensive construction and track rehabilitation would be necessary. A listing of the areas and estimated costs follows:

Gower Street to Seward Street	\$113,000
Gower Street to Hollywood Junction	250,000
Highland Avenue	9,000
Van Nuys Boulevard	200,000
Connection of Hollywood Freeway with Highland Avenue	<u>40,000</u>
Total	\$612,000

It was the opinion of this witness that the afore-listed costs are too great to be justifiably incurred, giving consideration to the present earnings and prospects of these two rail lines,

It was contended the proposed motor coach service would provide an adequate and more satisfactory substitute for rail service. The proposed schedules will furnish a more frequent service, and applicant intends to purchase 35 new motor coaches to be used on these two routes. The specifications of motor coaches being considered are set out in Exhibits Nos. 4 and 5. These specifications disclose that the width of each of these two types of buses is greater than the 96-inch limitation set out in the California Vehicle Code, Section 694 (a), one type having a width of 100-3/8 inches and the other 102 inches. "Motor coaches or buses operated under the jurisdiction of the Public Utilities Commission in urban or suburban service may have a maximum outside width not exceeding 104 inches, when approved by order of the Public Utilities Commission for use on routes designated by it ..." (Vehicle Code, Section 694 (g)).

While this proposed substitution would result in one additional coach on Hill Street for each five minutes during the maximum peak period, the witness pointed out that the total number of motor coaches would be less than the total number of motor coaches and rail cars which applicant company operated on Hill Street prior to the discontinuance of rail passenger service thereon as authorized by Decision No. 44161, dated May 9, 1950, on Application No. 30095. (49 Cal. P.U.C. 643).

The evidence (Exhibit No. 9) disclosed that under date of February 14, 1952, the City Council of Los Angeles approved a report of the Los Angeles Board of Public Works, recommending that the City request applicant company to remove its rail tracks from Van Nuys Boulevard between Vanowen and Oxnard Street so as to permit contemplated street grading.

Exhibit No. 7 is a copy of an application by the Pacific Electric Railway Company filed with the Board of Public Utilities and Transportation of Los Angeles, requesting that body's permission to effect the proposals contained herein. This application was approved by the board on July 15, 1952, as to the substitution of motor coaches for rail passenger service, and also as to the abandonment of rail tracks except on Santa Monica Boulevard between Seward and Gordon Streets.

In connection with the testimony of this witness, the representative of the City of Los Angeles pointed out that in Decision No. 44161, supra, this same applicant company was authorized to discontinue rail passenger service on certain designated lines and to substitute therefor motor coach service.

The order authorizing such substitution contained a provision to the effect that the motor coach service should be inaugurated coincident with the abandonment of rail service. This same provision was requested to be included in any order related to the instant application. Upon cross-examination as to the running time of motor coaches as compared to rail passenger cars, this witness stated that the proposed motor coach service on the Los Angeles-Van Nuys Line would save about 10 to 20 minutes over the present rail running time. On the West Hollywood Line the motor coach running time would be the same as the present rail running time, but, the witness pointed out, by using motor coaches the public would avoid walking up and down the ramps of the subway terminal.

It should be noted that if this application is granted there will remain but two rail lines using the subway terminal building of applicant company, viz., the Glendale line and the Hollywood Boulevard line. Obviously these rail lines will have to bear an additional burden as far as expenses are concerned. However, this witness was of the opinion that this additional burden would not be a controlling factor in any consideration relating to possible future discontinuance of these lines.

Testimony in support of the application was presented by a member of the Executive Board of the Metropolitan Transit and Traffic Committee of the Los Angeles Chamber of Commerce. This witness stated that his board favored the instant application.

A member of the Executive Committee of the Hollywood Bowl Association testified that association was desirous of having the rail passenger service on Highland Avenue discontinued and motor coaches substituted therefor. Exhibit No. 1 is a copy of a resolution of the Board of Directors of this association to this effect.

The secretary-manager of the Van Nuys Chamber of Commerce presented Exhibit No. 2, a resolution of that body, urging the approval of the instant application. This witness observed that it is desirable to remove the rail lines in Van Nuys Boulevard in Van Nuys because of rain conditions. The removal of the tracks will permit lowering of the street, and the street could then act as a drain for excessive rain water. It was pointed out that during the past rainy season in the spring of 1952 this area suffered considerable damage from excess rain water.

The transportation director of the Downtown Business Men's Association testified that his organization favors this application, stating that surface rail transportation is not desirable in the downtown area.

A witness representing the Hollywood Industrial Property Owners Association recommended that the tracks be removed on Hollywood Boulevard between Sunset Boulevard and Seward Street.

A witness for the Panorama City Merchants Association testified that the present buses are too rough, and the company should obtain better-riding buses. He also requested consideration of extension of service in the Panorama City area.

It should be noted that any such extension of service is not an issue in this proceeding since applicant has not requested such authority.

The traffic engineer for the City of Los Angeles presented testimony to the effect that he was familiar with the instant application and was in favor of its being granted. The abandonment of rail service on Santa Monica Boulevard between Seward Street and Hollywood Junction, according to this witness, will be beneficial in that it will increase the capacity of the roadway. Likewise, the rail lines on Highland between Lexington and the junction with the Hollywood Freeway now have an adverse effect on traffic going to the Hollywood Bowl. In the Van Nuys area the removal of rails and the substitution therefor of motor coaches will, according to this witness, increase the flow of traffic and, in general, the abandonment of rails in all areas herein proposed will be in the interest of the public in enabling a better traffic and transit situation. This witness was of the opinion that the additional buses proposed on Hill Street would not present any significant problem, and further that the establishment of motor coach landings on the Hollywood Freeway would not impede traffic.

An engineer of the Commission's staff presented a study contained in Exhibit No. 10. The conclusions of this study may be summarized as follows: the substitution of motor coaches for rail lines proposed to be abandoned generally will result in a better schedule frequency and a shorter running time. It will likewise result in a better distribution of

passengers in the downtown business district of the City of Los Angeles. Adequate loading zone for motor coaches along the Hollywood Freeway should be provided, the engineer testified, to serve some 600 daily passengers who presently use the street car stops in the Cahuenga Pass. The section of the rail line through the Pass may be considered to be a rail rapid transit facility; however, since no provision was made for rail facilities on the Hollywood Freeway between Hollywood and downtown Los Angeles, rail rapid transit to the San Fernando Valley is not possible.

An engineer for the Division of Highways of the State of California testified that his department is interested in an early determination as to whether or not the rail tracks concerned are to be retained or removed. This is important, according to this witness, in connection with the street and freeway construction now in progress.

. In opposition to the application, a resident of Van Nuys presented testimony that buses would not provide as comfortable transportation as do rail passenger cars. He further objected to the so-called street loading practices of the company on some of its motor coach lines.

A witness representing the Citizens Transit Committee for Metropolitan Los Angeles presented testimony to the effect that the running time of motor coaches would be greater than the present rail lines, inasmuch as the rail lines have the advantage of a tunnel until they are out of the center of the city, whereas the motor coaches would be operating on the surface of the streets and would have to contend with existing traffic conditions. This witness described the operating conditions on the rail lines herein concerned, and pointed out instances where the tracks need reconditioning. He also pointed out that the average running time to Van Nuys on the rail line has increased from an hour and nine minutes in 1935 to an hour and thirty minutes at the present time.

After a thorough consideration of all of the evidence herein adduced, we find that the present rail operations herein concerned are being operated at a loss. The proposed motor coach substitution will improve the financial position of applicant and the motor coaches can be a satisfactory and adequate substitute for the rail passenger cars. In this connection we note that applicant proposes to purchase new motor coaches and to observe the loading standards of this Commission. We further find that the expense of rehabilitating the existing rail track would not be justified in the light of the record relating to the earning capacity and public use of these two rail lines concerned.

One problem concerning freight traffic was presented at this hearing in that the testimony disclosed that applicant company has a shipper and receiver of freight located on its spur track near Santa Monica Boulevard and Gordon Street. A representative of this shipper appeared in protest to this application insofar as it might effect the discontinuance of rail freight service to this shipper and the abandonment of rails for that purpose. A witness for the applicant company testified that the revenue derived from this shipper is not sufficient to justify the expenditures which would be required to rehabilitate the tracks in that area. In this connection it should be noted that the record further discloses that these rail tracks are used in interstate commerce. Applicant presently has filed an application with the Interstate Commerce Commission to permit such abandonment, and accordingly that is

a determination which we do not make in this proceeding. Furthermore, counsel for applicant stated that it was not the intention of applicant company to apply for such abandonment in this proceeding, the matter being left to the determination of the Interstate Commerce Commission. On this record we will not authorize abandonment of the rail tracks on Santa Monica Boulevard between Seward and Gordon Streets.

O R D E R

Application as above entitled having been filed, public hearings having been held thereon, the matter having been submitted, the Commission being fully advised in the premises and hereby finding that the public interest and the public convenience and necessity so require,

IT IS ORDERED:

(1) That, subject to the conditions hereinafter provided, the Pacific Electric Railway Company be, and it hereby is, authorized to discontinue rail passenger service on the Los Angeles-Van Nuys and the Los Angeles-West Hollywood Lines.

(2) That the Pacific Electric Railway Company be, and it hereby is, authorized to abandon rails over the following-described routes and discontinue rail freight operations over those portions of the several routes involved:

Commencing at a connection with the Hollywood Line of Sunset Boulevard at Hollywood Junction Mile Post 4.177, thence a double track electric line westerly on Santa Monica Boulevard to the connection with the spur track of the Cooperative Building Materials, Inc., in the vicinity of Gordon Street, Mile Post 6.546, together with crossovers and other appurtenances. A total length of 2.369 miles, all in the City of Los Angeles.

Commencing at the south line of Lexington Avenue and Highland Avenue Mile Post 7.671, thence a double track electric line northerly on Highland Avenue and northerly and westerly on private right of way 4.443 miles to Mile Post 12.114, thence a single track electric line northerly on private right of way 0.434 miles to Mile Post 12.548, thence a double track electric line northerly and westerly on private right of way 1.388 miles to Mile Post 13.936 North Hollywood, thence a single track electric line 0.626 miles westerly on private right of way to a connection with the Southern Pacific track at North Hollywood Mile Post 14.562, thence a single track electric line leased from the Southern Pacific Company westerly to Kester Junction near Diaz Avenue 1.788 miles to Mile Post 16.350, thence a single track electric line owned by the Pacific Electric Railway Company westerly and northerly on private right of way and Van Nuys Boulevard to Calvert Street, Van Nuys, 2.804 miles to Mile Post 19.154, thence a double track electric line on Van Nuys Boulevard and private right of way to a point near Vose Street, 1.236 miles to Mile Post 20.390, thence a single track electric line northerly on private right of way 0.352 miles to end of line near Wyandotte Street Mile Post 20.742, together with cross-overs spurs, sidings and other appurtenances. A total length of 13.071 miles all in the City of Los Angeles. (Operation only to be abandoned over Southern Pacific Company trackage.)

(3) That applicant be, and it hereby is, authorized to abandon that portion of its motor coach service along Sunset Boulevard between Santa Monica Boulevard and Vermont Avenue.

(4) That the route of applicant's Echo Park-Hill Street-Venice Boulevard Line No. 91 be amended to read as follows:

ECHO PARK AVENUE-HILL STREET-VENICE BOULEVARD LINE 91
(Revised)

From Crenshaw Boulevard and Venice Boulevard via Venice Boulevard, Hill Street, Lower Hill Street, Sunset Boulevard, and Echo Park Avenue to Donaldson Street. Return via reverse of going route.

(5) That a certificate of public convenience and necessity be, and it hereby is, granted to the Pacific Electric Railway Company, authorizing the establishment and operation of a service as a passenger stage corporation, as that term is

defined in Section 226 of the Public Utilities Code, for the transportation of persons along the routes and between the points hereinafter specified, as an extension of and to be consolidated with applicant's existing rights:

HILL STREET-SANTA MONICA BOULEVARD-WEST HOLLYWOOD LINE NO. 94

Commencing at intersection of 15th and Hill Streets via Hill Street, Lower Hill Street, Sunset Boulevard and Santa Monica Boulevard to Robertson Boulevard; returning via reverse of going route.

Also, turnaround for short line service by operating in either direction around two blocks contiguous to the intersection of Highland Avenue and Santa Monica Boulevard, and two blocks contiguous to the intersection of La Brea Avenue and Santa Monica Boulevard.

HILL STREET-SANTA MONICA BOULEVARD-VAN NUYS LINE NO. 93

Commencing at the intersection of 15th and Hill Streets, thence via Hill Street, Lower Hill Street, Sunset Boulevard, Santa Monica Boulevard, Highland Avenue, Hollywood Parkway, Vineland Avenue, Magnolia Boulevard, Lankershim Boulevard, Chandler Boulevard and Van Nuys Boulevard to Sherman Way.

Return via reverse of going route.

Also, from the intersection of Temple Street and Hill Street, via Temple Street, Grand Avenue entrance to Hollywood Parkway and Hollywood Parkway to Santa Monica Boulevard; returning from Santa Monica Boulevard and Hollywood Parkway via Hollywood Parkway, Hope Street exit to Temple Street and Temple Street to Hill Street.

Also, along frontage roads of Hollywood Parkway between Highland Avenue and Barham Boulevard. Return via reverse of going route.

Also; from the intersection of Barham Boulevard and Cahuenga Boulevard, via Cahuenga Boulevard, Ventura Boulevard and Vineland Avenue to Hollywood Parkway; returning via reverse of going route.

Also, along Lankershim Boulevard between Magnolia Boulevard and Vineland Avenue; returning via reverse of going route.

Also, turnaround for short line service by operating in either direction around two blocks contiguous to the intersection of Highland Avenue and Santa Monica Boulevard.

(6) That in providing service pursuant to the certificate herein granted there shall be compliance with the following service regulations:

- (a) Within thirty (30) days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted.
- (b) Within one hundred eighty (180) days after the effective date hereof, and upon not less than five (5) days' notice to the Commission and the public, applicant shall establish the service herein authorized and file in triplicate, and concurrently make effective, tariffs and time schedules satisfactory to the Commission.

(7) That the abandonments and substitutions of rail service hereinabove authorized are subject to the following conditions:

- (a) Changes in service shall be made only after thirty (30) days' notice to this Commission and to the public, and where motor coach service is to be substituted for rail service said motor coach service shall be inaugurated coincident with the abandonment of rail service.
- (b) Motor coaches to be purchased shall be new, modern equipment and shall be equal or superior to the equipment described at the hearings in these proceedings in connection with the company's proposals. Particularly, shall such equipment contain forced ventilation and shall be designed in such a manner as to reduce noise, fumes, and odors to a practical minimum. Before any motor coach equipment is substituted for rail service, the company shall submit detailed specifications to this Commission and secure the Commission's approval.

(8) That the existing right of way and access facilities of applicant on its Los Angeles-Van Nuys Line between the presently established stop known as Cahuenga Pass and located near the junction of Cahuenga Boulevard and Highland Avenue, on the one hand, and, on the other, Vineland Avenue, shall not

be alienated without prior approval of this Commission and until such time as satisfactory arrangements have been made as to loading zones for motor coaches operating over the freeway in that area.

(9) That failure of applicant to comply with any of the provisions of this order without prior authorization of this Commission will render the authority herein granted null and void.

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

Dated at San Francisco, California, this 11th day of August, 1952.

R. Z. Johnson
President

James A. Gaeuer

Harold Kula

Kenneth Potted

John E. McNeill
Commissioners