

**ORIGINAL**Decision No. 43053

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of PACIFIC ELECTRIC RAILWAY )  
COMPANY, a corporation, for an )  
order authorizing the exercise ) Application No. 33929  
of rights and privileges under )  
a freeway bus franchise granted )  
by the City of Los Angeles. )

E. D. Yeomans, Attorney, for Pacific Electric  
Railway Company; T. M. Chubb, Chief Engineer and  
General Manager and T. E. Hoffman, Franchise Engineer,  
Department of Public Utilities and Transportation,  
City of Los Angeles, interested party.

O P I N I O N

Pacific Electric Railway Company was granted a franchise by the City of Los Angeles by Ordinance No. 100768. authorizing bus operations over certain existing sections of the Hollywood Freeway and further authorizing the Board of Public Utilities and Transportation of the City of Los Angeles to approve further freeway bus operations within the City of Los Angeles and within the service area of the Pacific Electric Railway as the Board may see fit. In the instant application authority is sought for a certificate of public convenience and necessity to exercise the rights and privileges granted by this franchise.

A public hearing was held before Examiner Syphers in Los Angeles on December 15, 1952, at which time evidence was adduced and the matter submitted.

The Pacific Electric Railway Company now possesses two franchises, one granted by Ordinance No. 90279 and approved by Decision No. 39143, dated June 25, 1946, in Application No. 27454, and the other granted by Ordinance No. 90344 and approved by Decision No. 39147, dated June 25, 1946, in Application No. 27451. These franchises expire on May 10, 1967, as likewise does the franchise granted by Ordinance No. 100768.

The franchise granted to applicant by Ordinance No. 100768 provides for the payment of annual fees to the City of Los Angeles of 2 $\frac{1}{2}$ % of the gross revenue derived from operations on the freeways involved. This amount is the same as required under Ordinances Nos. 90279 and 90344.

It was testified at the hearing that there is an urgency in instituting the proposed motor coach operations over the freeway inasmuch as the construction of the Hollywood Freeway in the vicinity of the Hollywood Bowl will require that the rails of applicant be removed. The Department of Public Works of the State of California has requested applicant company to discontinue rail service in that vicinity prior to January 1, 1953. Pursuant thereto, by Application No. 33243, Second Supplemental, applicant requested authority from this Commission to temporarily operate some of its existing bus equipment in lieu of the rail service until such time as new buses could be obtained. Authority to conduct such operation was granted by this Commission in Decision No. 47962, dated November 25, 1952.

The Commission is of the opinion that it should authorize applicant to exercise the franchise granted by the City of Los Angeles by Ordinance No. 100768.

O R D E R

Pacific Electric Railway Company having filed an application for a certificate to exercise the rights and privileges under a bus franchise granted by the City of Los Angeles by Ordinance No. 100768, adopted November 26, 1952, a public hearing having been held, the matter having been submitted and the Commission being fully advised in the premises and hereby finding that the public convenience and necessity so require,

IT IS ORDERED that Pacific Electric Railway Company be and hereby is granted a certificate to exercise the rights and privileges granted by the City of Los Angeles by Ordinance No. 100768; this certificate, however, being subject to the following conditions:

1. That no claim of value for such franchise or the authority hereby granted in excess of the actual cost thereof shall ever be made by the grantee, its successors, or assigns, before this Commission or before any court or other public body.

2. The certificate hereby granted shall be without prejudice to the right and authority of this Commission hereafter to exercise fully all jurisdiction vested in the Commission by law with respect to the regulation of the operations and service of the applicant utility.

The effective date of this order shall be the date hereof.

Dated at Los Angeles, California, this 16<sup>th</sup> day of December, 1952.

*R. E. [Signature]*  
President  
*Justus J. Cravner*  
*Harold Huls*  
*[Signature]*  
*John L. [Signature]*  
Commissioners