

Decision No. 50873

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of METROPOLITAN COACH LINES, a corporation, to replace rail service on the Subway-Hollywood Boulevard-Reverly Hills rail line with motor coach service, and to combine and to reroute certain motor coach service in the Hollywood area.)
)
) Application No. 34830
)
)
)

In the Matter of the Application of METROPOLITAN COACH LINES, a corporation, for authority to replace rail service on the Subway-Glendale-Burbank rail line with motor coach service and to combine said motor coach line with existing Line 75, Los Angeles-Santa Monica-Venice.)
)
) Application No. 34990
)
)
)

APPEARANCES

- Waldo K. Greiner, for Metropolitan Coach Lines, applicant.
- Henry McClernan, City Attorney, by John H. Lauten, Assistant City Attorney, for City of Glendale, protestant.
- Cecil G. Zaun, Supervisor of Safety, for Los Angeles City Schools, protestant.
- Thomas W. Pepler, for Apartment House Association of Los Angeles County and Gardner Street Property Owners, protestants.
- Mrs. Charles E. Millikan and McKay Mitchell, for the Mass Transportation Committee of the City of Glendale, protestants.
- Milo Allen Parker, Chairman and Dr. Charles S. Young, for the Glendale Action Committee on Transportation, protestant in 34990 and interested party in 34830.
- Dan Banta, for Citizens Group of Atwater, and in propria persona, protestants.
- Don Packer, for Glendale Chamber of Commerce, and in propria persona, protestant.
- J. Lee Gregg, in propria persona, protestant.
- Gibson, Dunn & Crutcher, by Max Eddy Utt, for Los Angeles Transit Lines, interested party.
- Roger Arnebergh, City Attorney, Alan Campbell, Assistant City Attorney, and T. M. Chubb, General Manager of the Department of Public Utilities and Transportation, for City of Los Angeles, interested party.
- Harry Morrison, General Manager, and Carl F. Fennema, Transportation Director, for Downtown Businessmen's Association, interested party.

Thomas Arnott, for Asbury Rapid Transit Company,
interested party.
Henry E. Jordan, Chief Engineer, Bureau of Franchises and
Public Utilities, for the City of Long Beach,
interested party.
Archie D. Walters, City Attorney, for the City of Burbank,
interested party.
James K. Gibson, Otto B. Liersch, William R. Peters,
J. G. Hunter, and A. F. Ager, for the staff of the
Public Utilities Commission.

O P I N I O N

Hearings in the above-entitled two applications were held on a consolidated record and by Decision No. 50447, dated August 17, 1954, the Metropolitan Coach Lines was authorized to replace rail service on the Subway-Hollywood Boulevard-Beverly Hills rail line with motor coach service as requested in Application No. 34830, subject to the specific authorizations and conditions set out in the decision.

Action on the service changes, relating principally to substitution of motor coach service for rail service on the Subway-Glendale-Burbank rail line, as requested in Application No. 34990, was deferred for two stated reasons: (1) the City of Glendale requested a continuance in this matter for at least six months in order to permit an adequate study to be made and (2) the Board of Public Utilities and Transportation of the City of Los Angeles had issued an order^{1/} disapproving this application.

It should be noted that the request of the City of Glendale was made at the hearing on April 2, 1954 and was based

^{1/} Board Order dated May 25, 1954, in evidence as Exhibit D-8.

in part upon a resolution of the Glendale City Council dated February 25, 1954.^{2/} A review of the order of the Los Angeles Board supra discloses that order makes reference to "City Council File No. 62874 calling for a study of PRIVATELY OWNED RAILROAD RIGHTS OF WAY SUBJECT TO POSSIBLE FUTURE ABANDONMENT FOR RAILROAD PURPOSES." The order further discloses "The privately owned rights of way within Los Angeles on the Los Angeles-Glendale-Burbank Line are among those involved in that study."

The request of the City of Glendale was not granted, however, more than six months have elapsed since it was made, and since the date of the order of the Los Angeles Board (May 25, 1954). In the meantime this applicant has applied to this Commission for a rate increase and hearings thereon have been held and completed.^{3/} In that proceeding the applicant renewed the contention that the operation of its rail lines entailed such high operating expenses as to deny the company a fair return. The company further contended that it is not feasible nor possible under present day conditions to realize a reasonable return from the operation of its rail lines.

In the light of these events we now turn our attention to a further consideration of this matter. The following testimony, as summarized in Decision No. 50447 supra, appears to be particularly important in a determination of this matter. The estimated operating revenue for the Glendale-Burbank line under motor

^{2/} Exhibit G-21.

^{3/} Application No. 35601 and related applications are now under submission. Hearings thereon were held on September 29 and 30, October 1, 6, 7, 8, 21 and 22, November 17, 18 and 19, 1954.

coach operations as compared with the present rail operations, are as follows:

	<u>Present Rail</u>	<u>Proposed Motor Coach</u>
Total Revenue	\$ 803,530	\$ 805,220
Operating Expenses	<u>1,688,060</u>	<u>761,490</u>
Net Income or Loss Before Income Taxes	(<u>884,530</u>)	43,730
Operating Ratio	210.08%	94.57%

(Red Figure)

Likewise the estimated cost of rehabilitating the Subway Terminal for continued streetcar operations was set at \$3,815,000 in a departmental staff report of the Board of Public Utilities and Transportation of the City of Los Angeles. ^{4/}

A witness for the Division of Highways testified that if rail tracks are to remain on this line it will be necessary, at a probable cost of \$660,000, to build a subway under the tracks for a freeway now being planned in the Glendale area.

In the light of this evidence and of all of the evidence previously adduced in the hearings in connection with this matter, we hereby find it to be in the public interest to grant application No. 34990 relating to the Subway-Glendale-Burbank rail line, subject to the modifications hereinafter noted.

The new buses proposed to be used are 102 inches in width and 38 feet in length. We will approve in this order the operation of these buses on the Glendale-Burbank line.

^{4/} Exhibit D-7.

O R D E R

Applications as above-entitled having been filed, a public hearing having been held, and interim opinion and order having been issued by Decision 50447, dated August 17, 1954, the Commission being fully advised in the premises and hereby finding that public convenience and necessity so require;

IT IS ORDERED:

(1) That subject to the conditions hereinafter provided, the Metropolitan Coach Lines be, and it hereby is, authorized to discontinue passenger service on the Subway-Glendale-Burbank rail line.

(2) That the Metropolitan Coach Lines be, and it hereby is, authorized to abandon rails and to remove or otherwise dispose of the track facilities and the overhead line facilities from the Subway-Glendale-Burbank rail line.

(3) That a certificate of public convenience and necessity be, and it hereby is, granted to the Metropolitan Coach Lines 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, and as an extension and enlargement of, and to be consolidated with applicant's existing rights:

BUS ROUTE 75 - GLENDALE-BURBANK-LOS ANGELES-BEVERLY HILLS-
VENICE-SANTA MONICA

1. From the intersection of Orange Grove Avenue and Glenoaks Boulevard (Burbank), via Glenoaks Boulevard (Burbank), Glenoaks Boulevard, Brand Boulevard (Glendale), Glendale Boulevard (Los Angeles) Riverside Drive, Allesandro Street, Glendale Boulevard, Temple Street, Grand Avenue, Fourth Street, Olive Street, Olympic Boulevard, San Vicente Boulevard, Burton Way (Los Angeles), Burton Way (Beverly Hills),

Rexford Drive, Santa Monica Boulevard (Beverly Hills), Santa Monica Boulevard (Los Angeles) Santa Monica Boulevard (Santa Monica), Ocean Avenue, Pico Boulevard, Main Street, (Santa Monica), Main Street (Venice), Windward Avenue, Pacific Avenue, Venice Boulevard (Los Angeles) (through Culver City), and Olive Street to Olympic Boulevard (Los Angeles).

Also reverse of above route to Venice Boulevard and Mildred Avenue, thence via Mildred Avenue (Venice), thence via Mildred Avenue, Pacific Avenue and continue reverse of above route.

2. ALTERNATE ROUTES:

(a) Over the regular route from Orange Grove Avenue (Burbank) to Santa Monica Boulevard and Federal Avenue (Los Angeles), thence via Federal Avenue, San Vicente Boulevard, San Vicente Boulevard (Santa Monica), and Ocean Avenue to Broadway (Santa Monica), return via reverse of above route.

(b) Regular route inbound to San Vicente Boulevard and Carillo Drive (Los Angeles), thence south on Carillo Drive, thence via Stearns Drive and Olympic Boulevard to San Vicente Boulevard and continue on regular route on Olympic Boulevard.

3. Also, from the intersection of Brand Boulevard and Glenoaks Boulevard (Glendale), via Brand Boulevard to Mountain Street (Glendale). Also reverse of above route.

4. Also, from the intersection of Riverside Drive and Glendale Boulevard (Los Angeles), via Glendale Boulevard to Allesandro Street (Los Angeles). Also reverse of above route.

(4) That the Metropolitan Coach Lines be, and it hereby is, authorized to combine the motor coach routes described in paragraph (3) above with its existing Los Angeles-Santa Monica-Venice Motor Coach line.

(5) That the Metropolitan Coach Lines, in accordance with the provisions of Section 694(g) and 697.1 of the California Vehicle Code is hereby granted permission in the conduct of the service herein authorized to operate motor coaches having a maximum outside width of 104 inches and an overall length not exceeding 40 feet.

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

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted.
- (b) Within one hundred eighty days after the effective date hereof, and upon not less than the periods otherwise herein prescribed, and in no case less than five 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 abandonment of rail service hereinabove authorized is subject to the following conditions:

- (a) Changes in service shall be made only after thirty days' notice to the Commission and to the public, and 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.
- (c) Applicant shall retain possession of the rights of way for not less than 180 days unless otherwise ordered by this Commission.

(8) 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.

(9) This order is without prejudice to further consideration of Application No. 34990.

The effective date of this order shall be twenty days from the date hereof.

Dated at San Francisco, California,
this 14th day of December, 1954.

John E. McNeill
President

Justus F. Callen

Kenneth F. Foster

Gene Higgins

Ray L. Tutore
Commissioners