

Decision No. 75267

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application to transfer operative)
rights of Avalon-Carver Community)
Center (Transferor) to Watts-)
Compton Improvement Association)
(Transferee).)

Application No. 50738
(Filed December 5, 1968)

O P I N I O N

Avalon-Carver Community Center requests authority to transfer and Watts-Compton Improvement Association requests authority to acquire a certificate of public convenience and necessity authorizing operations as a passenger stage corporation.

The operating authority was granted by Decision No. 73245 in Application No. 49649 and Decision No. 74544 in Application No. 50321 and authorizes the transportation of passengers between the Avalon-Central Area (Los Angeles), on the one hand, and certain specified industrial areas, on the other hand.

Watts-Compton Improvement Association is presently rendering a passenger stage service between the South-Central Los Angeles Area, on the one hand, and specified industrial areas, on the other hand.

The proposed transfer would be without consideration. The combined operation would be subsidized by the State of California from funds granted to it by the United States Department of Housing and Urban Development.

It is alleged as follows:

- "(1) Applicants have been providing bus services under authorities granted to them since approximately November 1967. During the intervening months, despite efforts to promote usage of the bus

services, passenger traffic has not developed as expected and the operations have required substantial subsidies from federal funds administered by the State of California.

- "(2) In order to reduce the costs of operation and requirements for subsidy funds, it is proposed by consolidation of the two operations to eliminate duplication of certain general overhead expenses and increase efficiency by combining passenger loads presently originating in the separate pickup areas that have the same destination."

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest. A public hearing is not necessary. The order which follows will provide for, in the event the transfer is consummated, the revocation of the certificate presently held by Avalon-Carver Community Center and the issuance of a certificate in appendix form to Watts-Compton Improvement Association.

Watts-Compton Improvement Association is hereby placed on 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 grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that:

1. On or before July 1, 1969, Avalon-Carver Community Center may sell and transfer and Watts-Compton Improvement Association may

purchase and acquire, the operative rights referred to in the application.

2. Within thirty days after the consummation of the transfer herein authorized, Watts-Compton Improvement Association shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

3. Applicants shall amend or reissue the tariffs and timetables on file with the Commission, naming rates and rules governing the common carrier operations herein to show that Avalon-Carver Community Center has withdrawn or canceled, and Watts-Compton Improvement Association has adopted or established, as its own, said rates and rules. The tariff and timetable filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff and timetable filings shall be concurrent with the consummation of the transfer herein authorized. The tariff and timetable filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 79 and 98-A. Failure to comply with and observe the provisions of General Orders Nos. 79 and 98-A may result in a cancellation of the operating authority granted by this decision.

4. On or before the end of the third month after the consummation of the transfer as herein authorized, Watts-Compton Improvement Association shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of the seller for the period commencing with the first day of the current year to and including the effective date of the transfer.

5. In the event the transfer authorized in paragraph 1 hereof is consummated, a certificate of public convenience and necessity is granted to Watts-Compton Improvement Association, a corporation, authorizing it to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, between the points and over the routes particularly set forth in Appendix A attached hereto and made a part hereof.

6. Appendix A of Decision No. 73825 is hereby amended by incorporating Third Revised Page 2, First Revised Page 3 and First Revised Page 6 attached hereto and made a part hereof in place of Second Revised Page 2, Original Page 3 and Original Page 6.

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

Dated at San Francisco, California, this 28th day of JANUARY, 1969.

William Lyons, Jr.
President

Augustine
John P. Morrissey
(117) William F. -

Thomas Moran
Commissioners

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS,
LIMITATIONS AND SPECIFICATIONS

*The Watts-Compton Improvement Association, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport passengers between the Avalon-South Central Los Angeles Area, on the one hand, and the Pomona, Fullerton, Long Beach (Douglas Aircraft), Torrance, Los Angeles (Harbor General Hospital), Santa Monica, Commerce, West San Fernando Valley, Van Nuys, East Pasadena, Redondo Beach, El Segundo, City of Industry, Flair Industrial Park, Burbank and Long Beach Naval Shipyard areas or locations as hereinafter described, on the other hand, subject to the following conditions and restrictions:

- (a) All buses used in the service herein authorized shall be owned or leased by the Blue & White Bus Company of Watts, Inc. and shall be maintained and insured by Blue & White Bus Company of Watts, Inc.
- *(b) Passengers shall be transported only between points within the Avalon-South Central Los Angeles Area, on the one hand, and points within the areas described, on the other hand.
- *(c) No passengers shall be transported whose origin and destination are both within the Avalon-South Central Los Angeles Area or within one or more of the described areas.
- *(d) No passengers shall be picked up or discharged at intermediate points outside the Avalon-South Central Los Angeles Area or the described areas.
- (e) All passengers transported shall be bona fide employees of industries located within the named Industrial areas or persons seeking employment at such industries.
- (f) Passenger stage services shall be operated only at times required to meet employee shift changes at the industries served and at other times when necessary to transport persons seeking employment at said industries.
- *(g) Industries to be served in the Torrance, Santa Monica and Burbank Industrial areas shall be restricted to those named in Appendices A, B and C attached to the application, as amended. # These and subsequent additions or deletions shall be reflected in applicant's tariff.
- (h) Industries to be served in the City of Commerce, West San Fernando Valley, Van Nuys, East Pasadena, and City of Industry industrial area, as described in Paragraph II

#Appendix C was attached to Application No. 49649, filed by Avalon-Carver Community Center.

Issued by California Public Utilities Commission.

*Changed by Decision No. 75267, Application No. 50738.

above shall be restricted to those industries within said areas to be named in tariffs which shall be filed prior to the establishment of service.

SECTION 2. DESCRIPTION OF AREAS AND LOCATIONS

*(a) Avalon-South Central Los Angeles

Commencing at the intersection of Vermont Avenue and Slauson Avenue, thence along Slauson Avenue, 4th Avenue, Exposition Boulevard, Figueroa Street, Jefferson Boulevard, San Pedro Street, Olympic Boulevard, Alameda Street, Rosecrans Avenue, and Vermont Avenue to Slauson Avenue.

(b) Pomona

Commencing at the intersection of Fifth Avenue and Hamilton Boulevard (Pomona), thence along Hamilton Boulevard, Holt Avenue, and Valley Boulevard to Grand Avenue (Walnut), thence along an imaginary line to the intersection of Brea Canyon Road and Sunset Crossing Road, thence via Brea Canyon Road and Fifth Avenue to Hamilton Boulevard.

(c) Fullerton

Commencing at the intersection of Orangethorpe Avenue and State College Boulevard (Fullerton), thence along Orangethorpe Avenue and Stanton Avenue to Malvern Avenue, thence along an imaginary line easterly to the intersection of Virginia Road and State College Boulevard, thence along State College Boulevard to Orangethorpe Avenue.

(d) Long Beach (Douglas Aircraft Plant), at the intersection of Lakewood Boulevard and Carson Street, City of Long Beach.

(e) Harbor General Hospital, at the intersection of Carson Street and Vermont Avenue, City of Los Angeles.

(f) Torrance

Commencing at the intersection of 190th Street and Hawthorne Boulevard (Torrance), thence along Hawthorne Boulevard, Del Amo Boulevard (prolonged easterly to

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Appendix A
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WATTS-COMPTON IMPROVEMENT
ASSOCIATION
(a corporation)

First Revised Page 6
Cancels
Original Page 6

*(o) Burbank

Commencing at the intersection of Victory Boulevard and Burbank Boulevard, thence along Victory Boulevard, Vine-land Avenue, Sunland Boulevard, San Fernando Road, San Fernando Boulevard and Victory Place to Victory and Burbank Boulevards.

*(p) Long Beach Naval Shipyard

On Seaside Boulevard (Terminal Island), City of Long Beach.

SECTION 3. ROUTE DESCRIPTIONS

*The Watts-Compton Improvement Association shall conduct said passenger stage operations between the Avalon-South Central Los Angeles Area and the Pomona, Fullerton, Long Beach (Douglas Aircraft), Torrance, Los Angeles (Harbor General Hospital), Santa Monica, Commerce, West San Fernando Valley, Van Nuys, East Pasadena, City of Industry, El Segundo, Redondo Beach, Flair Industrial Park, Burbank and Long Beach Naval Shipyard areas and locations as described, over and along the most direct or appropriate route or routes.

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*Changed by Decision No. 75267, Application No. 50738.