

Decision No. 44601**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 GEORGE W. GILSON for certificate of )  
 public convenience and necessity to )  
 operate a bus line in Orange County )  
 in the unincorporated community of )  
 Costa Mesa and the City of Newport )  
 Beach, to be known as Costa Mesa Bus )  
 Line. )

Application No. 31400

O P I N I O N

Applicant herein requests authority to conduct a passenger stage service in the unincorporated community of Costa Mesa, and the City of Newport Beach, both in Orange County, California, over certain specified routes.

It is alleged that there is no public transportation service available in the area and over the routes applicant proposes to operate, with the exception of two blocks between 17th and 19th Streets, over which the Laguna Beach-Santa Ana Stage Line operates a passenger stage service which would be somewhat competitive. However, the owners of the Laguna Beach-Santa Ana Stage Line have expressed no opposition to the proposed service.

The community of Costa Mesa, according to a school and newspaper survey, has a population of between 16,000 and 18,000, of which approximately 12,000 reside in the area proposed to be served by applicant. The area is a rapidly growing one, consisting principally of residences.

It is further alleged that in the Newport Harbor High School, which is proposed to be served, there are approximately 1,100 students, and there is an elementary school now situated within 400 feet of the proposed route, with an additional elementary school in the process of construction.

The proposed rates are set out in Exhibit A, attached to the application, and the proposed time schedule is set forth in Exhibit B.

The City Attorney of the City of Newport Beach has advised that that city has no objections to the granting of this application.

After consideration of this record, we find the proposed service to be in the public interest. Accordingly, it will be granted. A public hearing is not necessary.

George W. Gilson is hereby placed upon notice that operative rights, as such, do not constitute a class of property which may be 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 granting of such rights. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be changed or destroyed at any time by the state, which is not, in any respect, limited to the number of rights which may be given.

ORDER

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

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to George W. Gilson, an individual, doing business as the Costa Mesa Bus Line, authorizing the establishment and operation of a service as a passenger stage corporation, as that term is defined in Section 2-1/4 of the Public Utilities Act, for the transportation of passengers in the unincorporated community of Costa Mesa and the City of Newport Beach, between the points and along the routes hereinafter set out.

(2) 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 sixty (60) 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 comply with the provisions of General Order No. 79 and Part IV of General Order No. 93-A, by filing, in triplicate, and concurrently making effective, tariffs and time schedules satisfactory to the Commission.

- (c) Subject to the authority of this Commission to change or modify such at any time, George W. Gilson, an individual, doing business as the Costa Mesa Bus Line, shall conduct said passenger stage operation over and along the following described routes:

Route No. 1:

Commencing at the intersection of 18th Street and Newport Avenue, thence via Newport Avenue, 17th Street, Santa Ana Avenue, Beacon Street, San Bernardino Avenue, Broad Street, Redlands Avenue, Clay Street, Irvine Avenue, 16th Street, Tustin Avenue, 18th Street, Irvine Avenue, Broadway Street, Santa Ana Avenue and 18th Street to the point of beginning.

Route No. 2:

Commencing at the intersection of 18th Street and Newport Avenue, thence via Newport Avenue, 19th Street, Raymond Avenue, Flower Street, Irvine Avenue, 19th Street, Tustin Avenue, Costa Mesa Street, Santa Ana Avenue, Mesa Drive, Acacia Street, Orchard Drive, Cypress Street, Palisades Road, Santa Ana Avenue, Mesa Drive, to its intersection with Newport Avenue, thence returning via Mesa Drive, Santa Ana Avenue, Costa Mesa Street, and thence via the same route to the point of beginning.

Applicant is authorized to turn its motor vehicles at termini and intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections, or in accordance with local traffic rules.

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

Dated at Los Angeles, California, this 1<sup>st</sup> day of August, 1950.

Justus F. Casner  
Geoff Lowell  
Harold H. Hild  
Herbert Pitter  
COMMISSIONERS