

Decision No. 15327

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of GEORGE W. GILSON, doing business )  
as Costa Mesa Bus Line, to abandon ) Application No. 31942  
bus service between Costa Mesa and )  
adjacent territory. )

Nelson Kogler, of Forgy, Reinhaus & Forgy, for applicant.  
Charles P. Rheinard for Laguna-Santa Ana Stage Line, interested party.

O P I N I O N

Applicant requests authority to discontinue and abandon his operation of service as a passenger stage corporation, as defined in Section 2 $\frac{1}{2}$  of the Public Utilities Act, for the transportation of passengers in and between the community of Costa Mesa and the city of Newport Beach in Orange County, over specified routes (1).

A public hearing was held before Examiner Rowe at Newport Beach on January 26, 1951, at which time oral and documentary evidence was adduced, and the matter was submitted for decision.

Notice of hearing and of the proposed abandonment was, according to the affidavit of applicant, posted in the equipment operated over the line to be abandoned, from January 15, 1951, to and including January 26, 1951. However, applicant admitted that operations over the authorized routes were not maintained after

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(1) Decision No. 44601, dated August 1, 1950, on Application No. 31400.

November 22, 1950. Consequently, the only effective notice to the public consisted of the notice of hearing sent by the Secretary of this Commission to applicant and his attorney, to Laguna Beach-Santa Ana Bus Lines, the Chamber of Commerce of Costa Mesa and that of Newport Beach, to the City Attorney of the city of Newport Beach, and to the Pacific Electric Railway Company.

According to applicant's testimony, the revenues were never sufficient to make the operation profitable. From the time the service was instituted, August 21, 1950, until the end of said month, 496 passengers were carried and they paid in fares a total of \$39.55. The cost of operation during the ten days of August amounted to \$42.25. During September, 1950, 1,283 passengers were transported and they paid the sum of \$102.97, while the cost of operation for September was \$218.21. In October, 1,702 passengers patronized the service and the revenue aggregated \$131.25, while the operating cost, including insurance, was \$170.72. In November the total revenue was \$88.10 prior to the cessation of operations on November 22, 1950, and the cost for gasoline was \$64.30. The insurance cost of \$51.80 was not met as applicant stated that his funds were then exhausted. Applicant himself operated the buses so that the above expenses do not include any statement of cost of wages although such an item should properly be considered. Applicant was unable to make any payments toward purchasing the bus used on his lines from the bus revenues.

Upon full consideration of the record in this proceeding, it is found as a fact that applicant's motor bus operation has not been, and cannot be made, profitable. Accordingly, the application will be granted.

O R D E R

Application as above entitled having been filed, a public hearing having been held, the Commission being fully advised in the premises and the matter being under submission,

IT IS ORDERED:

(1) That George W. Gilson, doing business as Costa Mesa Bus Line, be, and he hereby is, authorized to abandon and discontinue his passenger stage service in and between the community of Costa Mesa and the city of Newport Beach, California, and intermediate points, for the transportation of passengers.

(2) That the applicant be, and he hereby is, authorized to cancel all fares, rules, regulations, and schedules, applying to said service.

(3) That the operating rights conferred under authority of the certificate of public convenience and necessity granted to George W. Gilson, doing business as Costa Mesa Bus Line, in the order in Decision No. 44601, dated August 1, 1950, on Application No. 31400, over and along the routes therein described, be, and the same hereby are, revoked and rescinded.

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

Dated at San Francisco, California, this 16<sup>th</sup> day of February 1951.

[Signature]  
Justice J. Casner  
Harold Hule  
[Signature]  
Peter E. Mitchell  
COMMISSIONERS