

Decision No. 80738

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of Orange Coast Sightseeing Com-
pany, a corporation, for a cer-
tificate of public convenience
and necessity to extend its sight-
seeing services originating at
points of interest in Orange
County to points of interest in
Burbank and Universal City, Cal-
ifornia.

Application No. 49730

OPINION AND ORDER

Decision No. 76527, dated December 9, 1969, authorized Orange Coast Sightseeing Company (Orange Coast) to establish and operate a round-trip sightseeing tour, as a passenger stage corporation, from the Disneyland area in the City of Anaheim and the Knott's Berry Farm area in the City of Buena Park to the Universal City Studios, Universal City, and to the studios of the National Broadcasting Company, Burbank.

Amongst other things the decision required (by Ordering Paragraph 4b) that Orange Coast set a sum of \$20,000 apart from other of the company's funds, and use said sum exclusively for the establishment and operation of the authorized tour.

By Petition for Modification filed May 15, 1972, Orange Coast seeks deletion of this requirement. It states that it has been operating the tour continuously since April 16, 1970; that the tour has been financially successful, and there no longer is any need to maintain the fund of \$20,000 as a guarantee for the tour's continuation.

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According to financial data which Orange Coast submitted in support of its request, Orange Coast's revenues, expenses and net income for the year 1971 were as follows:

Revenues	\$224,447
Expenses	<u>197,407</u>
Net Income	\$ 27,040

The company's balance sheet as of December 31, 1971, was as follows:

Assets

Cash	\$53,509
Accounts Receivable	11,014
Prepaid Expenses	3,018
Prepaid Taxes	21,071
Organization and Franchise	254
	<u>\$88,866</u>

Liabilities

Accounts Payable	\$15,335
Advance from Airport Service, Inc.	20,000
	<u>\$35,335</u>

Capital

Stock	\$10,000	
Earned Surplus	(13,874)	
Profit	<u>57,405</u>	53,531
		<u>\$88,866</u>

(Red figure)

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Corresponding financial data which the company submitted in its annual report to the Commission for the year 1969 are as follows:

Revenues	\$72,176
Expenses	<u>73,932</u>
Net Operating Loss	\$ 1,756

Balance sheet as of December 31, 1969:

Assets

Cash	\$ 2,306
Accounts Receivable	4,667
Organization and Franchise	288
	<u>\$ 7,261</u>

Liabilities

Accounts Payable	\$11,072
Unredeemed Tickets	249
Advances Payable	30,000
	<u>\$41,321</u>

Capital

Stock	\$10,000	
Earned Surplus	<u>(44,060)</u>	(34,060)
		<u>\$ 7,261</u>

(Red figure)

The fund of \$20,000 was derived from an advance from Orange Coast's parent company, Airport Service, Inc. It is evident from Orange Coast's balance sheet as of December 31, 1971, that the company has the capability of repaying the advance without seriously impairing its financial position. It is also evident from comparison of the company's revenue and expense figures for 1971 with those for 1969 that the company's earning position has improved substantially during the past three years.

In the circumstances we find that retention of the fund of \$20,000 to assure the establishment and operation of the Universal City Studios/ National Broadcasting Company Studios tour is no longer warranted.

Public hearing on this matter is not necessary.

IT IS ORDERED that Ordering Paragraph 4b of Decision No. 76527, dated December 9, 1969, in Application No. 49730 is hereby canceled.

In all other respects the provisions of Decision No. 76527, as amended, shall remain in full force and effect.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 21st day of NOVEMBER, 1972.

Yerman L. Sturgeon
President
William J. Lyons Jr.
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Commissioners