

Decision No. 18372 .

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of  
PACIFIC GAS AND ELECTRIC COMPANY, a  
corporation, for an order of the  
Railroad Commission granting to  
applicant a certificate of public  
convenience and necessity to exer-  
cise the rights, privileges and  
franchise granted by Ordinance No.  
84 of the Board of Trustees of the  
City of Gridley; and to construct  
the gas distribution system herein  
described.

**ORIGINAL**

Application No. 13685.

R. W. Duval, for Applicant.

BRUNDICE, COMMISSIONER:

O P I N I O N

In this application, Pacific Gas and Electric Company asks the Railroad Commission for an order certifying that public convenience and necessity require and will require the exercise by it of the rights and privileges of franchise granted by the City of Gridley and the construction of a gas distribution system within the City of Gridley.

A public hearing was held May 11, 1927, at which time testimony was introduced and the matter submitted. No one appeared to oppose the granting of the application.

It appears that Pacific Gas and Electric Company has a gas transmission line between the Cities of Marysville and Oroville. The Company now desires to tap this transmission line near the City of Gridley and to install gas distribution facilities within the City of Gridley. It is in connection with such an extension of facilities that a franchise has been secured.

Ordinance No. 84, passed March 28, 1927, by the Board

of Trustees of the City of Gridley, grants applicant a franchise to install and maintain gas facilities within the City of Gridley. This franchise, a certified copy of which is attached to the application, is for a term of fifty (50) years and carries the usual provisions for a tax of two (2) per cent upon the gross revenue, effective five (5) years from the date of grant.

It appears that the territory which applicant proposes to serve is not now receiving gas service nor is there any immediate prospect of such territory being served by another utility. It also appears that service to the territory in question can be supplied without detriment to present and prospective consumers in the areas now supplied with gas service.

Favorable action on this application will be in the public interest and I therefore recommend the following form of order:

O R D E R

Pacific Gas and Electric Company having applied to the Railroad Commission of the State of California for an order certifying that public convenience and necessity require and will require the exercise of the rights and privileges granted to it by the City of Gridley under Ordinance No. 84 and the construction of the gas distribution system described in the application, public hearing having been held, the matter being submitted and now ready for decision,

The Railroad Commission of the State of California hereby certifies and declares that public convenience and necessity require and will require the exercise by Pacific Gas and Electric Company of the rights and privileges of franchise granted by Ordinance No. 84 of the Board of Trustees of the City of Gridley and the construction of a gas distribution system described in the application.

The authority herein granted shall become effective upon the date applicant files with this Commission a stipulation duly and legally passed by its Board of Directors to the effect that applicant, its successors and assigns, will never claim before the Railroad Commission or any court or other public body a value for the rights and privileges granted under Ordinance No. 84 of the City of Gridley in excess of the amount actually paid to the City of Gridley for said franchise:

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission.

Dated at San Francisco, California, this 17<sup>th</sup> day of

May, 1927.

E. M. J. J. J.  
H. H. B. B. B.  
C. S. S. S.  
L. W. W. W.  
P. S. S. S.  
Commissioners.