

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
THE PACIFIC TELEPHONE AND TELEGRAPH
COMPANY for an order of the Railroad
Commission declaring that public con-
venience and necessity require the
exercise by Petitioner of the rights
and privileges conferred upon it by
Ordinance No.229, New Series, of the
City of Vallejo.

ORIGINAL

Application No.2640.

Decision No. 2965

Pillsbury, Madison and Sutro, by H. D. Pillsbury,
and James T. Shaw, for Petitioner.

THELEN and GORDON, Commissioners.

O P I N I O N.

This is a petition by The Pacific Telephone and Telegraph Company, hereinafter referred to as the Pacific Company, asking that the Railroad Commission make its order declaring that public convenience and necessity require the exercise by Petitioner of the rights and privileges granted to it by Ordinance No.229^{New Series,} of the City of Vallejo, adopted on June 24, 1916.

A public hearing herein was held in San Francisco on December 21, 1916. No one appeared in opposition to the granting of the petition. The City Council of Vallejo notified the Railroad Commission that it has no objection to the granting of the petition.

On May 15, 1916, the Pacific Company filed with the City of Vallejo a petition asking that the City Council advertise and sell to the highest bidder a telephone and telegraph franchise.

Ordinance No.229, New Series, of the City of Vallejo, adopted on June 24, 1916, grants to the Pacific Company, its successors and assigns, for a term of 25 years from and after the date the ordinance became effective, the right to do a general telephone and telegraph business within the City of Vallejo and, in general, to construct, operate and maintain a telephone and

telegraph system on and along the public streets and other public places in the City of Vallejo.

Ordinance No. 229, New Series, contains provisions with reference to the use of the streets and construction thereon by the grantee of the franchise, the improvement of the streets, placing of construction underground, no sale of the property erected under the franchise without the consent of the City of Vallejo, the payment by the grantee of the franchise, its successors and assigns, to the City of Vallejo of a percentage of the gross revenue resulting from operation under the franchise, as provided by the Broughton Act, the free use by the City of Vallejo for public business of 20 individual line telephones for exchange service and the free use by the City of Vallejo of overhead and underground construction of the grantee, to the extent indicated, for the City's low tension police and fire alarm systems.

Section 15 of the ordinance contains provisions by which the City of Vallejo may, at the expiration of the term of the franchise, purchase the property of the owner of the franchise in the City of Vallejo at a price determined in the manner specified in said section.

The ordinance contains other provisions to which it is not necessary here to refer.

The Pacific Company has hitherto failed to make application to the Railroad Commission for a certificate of public convenience and necessity authorizing it to exercise the rights granted by Ordinance No. 229, New Series. The failure to make such application to the Railroad Commission was due to the belief of the officials of the Telephone Company that such application was not necessary.

We recommend that the petition be granted, subject to the conditions contained in the order herein, and submit the following form of order:

O R D E R.

THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY having filed its petition herein asking that the Railroad Commission make its order as specified in the opinion which precedes this order, a public hearing having been held and the Railroad Commission being fully advised,

THE RAILROAD COMMISSION HEREBY DECLARES that public convenience and necessity require the exercise by The Pacific Telephone and Telegraph Company, its successors and assigns, of the rights and privileges conferred by Ordinance No. 229, New Series, of the City of Vallejo, adopted on June 24, 1916, provided that The Pacific Telephone and Telegraph Company shall first have filed with the Railroad Commission a stipulation, duly authorized by its board of directors, agreeing for itself, its successors and assigns, that it or they will never claim before the Railroad Commission or any other public authority, any value for the rights and privileges conferred by said Ordinance No. 229, New Series, of the City of Vallejo, in excess of the amount paid therefor at the time said ordinance was adopted, which amount shall be specified in said stipulation, and shall have received from the Railroad Commission a supplemental order reciting that such stipulation, in form satisfactory to the Railroad Commission, has been filed herein.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 21 day of December, 1916.

Max Thelen
Edwin O. Edgerton
Frederick R. ...

Commissioners.