

Decision No. 8394**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 THE PACIFIC TELEPHONE AND TELEGRAPH
 COMPANY, a corporation, for an order
 of the Railroad Commission of the
 State of California granting it a
 certificate that public convenience
 and necessity require the exercise
 by it of the rights and privileges
 conferred upon it under the fran-
 chise granted it by the Board of
 Trustees of the City of Madera by
 Ordinance No. 221 on August 16, 1920.

Application No. 6288.

H. D. Pillsbury, for Applicant.

BRUNDIGE, Commissioner.

O P I N I O N

In this proceeding, The Pacific Telephone and Telegraph Company is seeking an order of the Railroad Commission declaring that the public convenience and necessity require the exercise by it of the rights and privileges conferred upon it by Ordinance No. 221, granted by the Board of Trustees of the City of Madera on August 16, 1920, entitled "An ordinance granting to The Pacific Telephone and Telegraph Company, its successors and assigns, the right to place, erect and maintain poles, wires and other appliances and conductors, and to lay underground conductors for wires for the transmission of electricity for telephones and telegraph purposes in, upon and under the streets, alleys, avenues, thoroughfares and public highways in the City of Madera, State of California, and to exercise the privilege of operating telephone and

telegraph instruments and of doing a telephone and telegraph business within said city of Madera".

A public hearing was held on this application in San Francisco on November 24, 1920.

The ordinance herein referred to, a copy of which is attached to this application as Exhibit "B", grants a renewal of a right already in existence for a term of twenty-five years from August 16, 1920. It provides, among other things, for the payment by the grantee, its successors and assigns, of two per cent. (2%) of the gross annual receipts arising out of its use; for the use by the City of certain specified facilities for police and fire alarm purposes, such use to be without charge by the grantee to the City; and contains the usual provisions with reference to the police powers of the City having to do with the placing of poles, conduits, etc.

The application sets forth that the consideration given for the grant of the franchise is \$150.00. Applicant has stated that this consideration covers the entire cost of the franchise, except that the franchise itself provides for payment of two per cent. (2%) of the gross receipts as hereinabove set forth.

Applicant further states that there are no other public utilities operating in said City which which it is likely to compete.

The following order is suggested.

O R D E R

The Pacific Telephone and Telegraph Company having applied to the Railroad Commission for a certificate of public convenience and necessity authorizing it to exercise the rights and privileges granted it under Ordinance No. 221 by the City of Madera

on August 16, 1920, a hearing having been held, and it appearing to the Railroad Commission that public convenience and necessity require the construction and operation of the telephone plant and system therein provided for and that there are no other public utilities of like character at present operating within the territory involved in this proceeding,

The Railroad Commission of the State of California hereby declares that public convenience and necessity require and will require the exercise by The Pacific Telephone and Telegraph Company of the rights and privileges conferred upon it by the ordinance hereinbefore described; provided that neither the applicant herein, its successors or assigns, shall ever claim before this Commission or any other public body a value for said franchise for rate fixing or other purposes in excess of \$150.00, the amount actually paid to the City of Madera as consideration for the granting of such franchise, as set forth in the Opinion preceding this order.

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 27th day of November 1920.

Edwin O. Eady
H. H. Ireland
Frank H. Miller
W. H. Bonding
Ernest Martin
Commissioners.