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Decision No. 9257

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 franchise granted it by the Board of Trustees of the City of San Mateo by Ordinance No. 228 on the second day of May, 1921.)

Application Number 6951.

B. F. Rabinowitz, for Applicant.

BRUNDAGE, COMMISSIONER.

O P I N I O N.

THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY asks the Railroad Commission to declare that public convenience and necessity require the exercise by applicant of the rights and privileges conferred upon it by Ordinance No. 228 passed on May 2, 1921, by the Board of Trustees of the City of San Mateo.

A copy of the ordinance has been filed in this proceeding and is marked applicant's Exhibit "B". In general, the ordinance granted to The Pacific Telephone and Telegraph Company, its successors and assigns, for a term of twenty-five years, gives applicant the right and privilege to do a general telephone and telegraph business within the City of San Mateo and to construct, maintain and operate the necessary telephone and telegraph lines and facilities, all subject to the conditions of the ordinance.

Among other things, the ordinance requires applicant, its successors and assigns to pay annually during the life of the franchise, to the City of San Mateo, 2 per cent of the gross annual receipts arising from the use, operation and possession of the franchise and privileges, including that portion of the long distance business credited to the exchange of the City of San Mateo. The City of San Mateo is also to have the use, without charge, of certain specified facilities for police and fire alarm purposes.

Applicant reports that it paid \$225.00 for the franchise and privileges covered by Ordinance No. 228 to the City of San Mateo, that no other public utility is engaged in the telephone and telegraph business in the City of San Mateo, and that at present it has 1870 subscribers to its telephone service in the City of San Mateo.

I herewith submit the following form of order:-

O R D E R

THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, having asked the Railroad Commission to declare that public convenience and necessity require applicant to exercise the rights and privileges granted to it by the City of San Mateo under Ordinance No. 228, passed May 21, 1921, a public hearing having been held, and it appearing to the Railroad Commission that public convenience and necessity require the construction, operation and maintenance of the telephone plant and system referred to in said ordinance and that there are no public utilities of a like character at present operating within the territory involved in this proceeding;

NOW, THEREFORE, 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 Ordinance No. 228, passed on May 2, 1921, by the Board of Trustees of the City of San Mateo, provided that neither applicant, its successors and assigns, will ever claim before the Railroad Commission, or any other public body having jurisdiction, a value for said franchise or privileges covered by said ordinance for rate fixing or any other purpose, in excess of \$225.00, the amount actually paid to the City of San Mateo as a consideration for the granting of said franchise and privileges.

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 23rd day of July, 1921.

H. P. Brundage
H. D. Lovelock
James Martin

Commissioners.

Certified as a True Copy

ASSISTANT SECRETARY
RAILROAD COMMISSION
STATE OF CALIFORNIA.