## Decision No. <u>23855</u>

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 of the State of California, granting to applicant a certificate of public convenience and necessity, to exercise the right, privilege and franchise granted to applicant by Ordinance No. 185 of the Board of Supervisors of the County of Humboldt; and a preliminary order under Section 50 (c) of the Public Utilities Act re. the exercise of a franchise hereafter to be obtained from the City of Trinidad, Humboldt County, State of California, etc.

Application No. 21041.



R. W. DuVal for Applicant, Pacific Gas and Electric Company.

WAKEFIELD, COMMISSIONER:

## PRELIMINARY OPINION AND ORDER

In this application, Pacific Gas and Electric Company,

a corporation, asks that the Commission:

- "1. duly give and make its order and decision granting to applicant a certificate declaring that the present and future public convenience and necessity require, and will require, the exercise by it of the right, privilege and franchise granted by Ordinance No. 185 of the Board of Supervisors of the County of Humboldt, State of California, all as provided for in Section 50 (b) of the Public Utilities Act of the State of California;
- "2. give and make its order preliminary to the issuance of a certificate of public convenience and necessity declaring that it will hereafter, upon application therefor by your applicant, when it shall have obtained the right, privilege and franchise which it contemplates securing from the City of Trinidad, Humboldt County, as herein in this application set forth, issue to your applicant a certificate declaring that the present and future public convenience and necessity require, and will require, the exercise of the right, privilege and franchise to be granted by said contemplated franchise, all as provided for by Section 50 (c) of said Public Utilities Act; and
- \*3. give and make its order and decision authorizing applicant to exercise the temporary permit (Exhibit \*C\* hereof) granted to applicant by the City Council of the City of Trinidad under the date of February 1, 1937."

Copies of Ordinance No. 185 of the Board of Supervisors of the County of Humboldt, resolution by the City Council of the City of Trinidad declaring intention to grant franchise, and resolution by the City Council of the City of Trinidad granting to applicant a temporary permit to erect electric facilities in said city, are marked Exhibits "A," "B," and "C," respectively, and attached to and made a part of the application.

Public hearing on this matter was held before Commissioner Wekefield at Eureka, California, on May 27, 1937.

N. R. Sutherland, manager of the applicant's commercial department, introduced Exhibit No. 8, same being a map of a portion of Humboldt County, showing applicant's presently installed electric transmission and distribution lines in said county, and a proposed 11,000 volt extension to serve the City of Trinidad.

Witness Sutherland also introduced Exhibit No. 9, same being a photostat copy of General Manager's Authorization No. 9323, including estimates of cost and revenue applicable to a proposed electric extension from the junction of Grannell Road and U. S. Highway No. 101, a distance of 28,014 feet in a northwesterly direction to the City of Trinidad, to supply fifty-three (53) applicants for electric service; he testified that the estimated installation cost of this extension under construction deviations from General Order No. 64-A, granted by this Commission on January 11, 1937, was \$11,879.00, and that the estimated gross revenue to be derived from it over a five-year period was \$13,825.00.

In its application, applicant alleges that present and future public convenience and necessity require and will require that applicant exercise the rights, privileges, and franchises granted to it by the ordinance and temporary permit herein involved.

Applicant stipulates in the application that it, its successors or assigns, will never claim before the Railroad Commission of the State of California, or before any court or public body, any value

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for the aforementioned franchise granted to it by said Ordinance No. 185 in excess of the actual cost thereof, said cost being two hundred fifty dollars (\$250.00), exclusive of the fifty dollar (\$50.00) fee paid to the Commission.

The question of the propriety of authorizing the exercise of franchise rights in territory not now served nor likely to be served in the immediate future is involved in this proceeding as well as in a number of similar applications now pending. The Commission will not rule on that question at this time, but will hold same in abeyance for further consideration. It does appear, however, that public convenience and necessity require that applicant be authorized to construct the electric extension to serve the City of Trinidad, as hereinbefore described, and to exercise the temporary permit granted by the City Council of the City of Trinidad.

It is therefore Ordered:

- 1. That public convenience and necessity require and will require the exercise by Pacific Gas and Electric Company of the right, privilege and franchise granted to it by Ordinance No. 185 of the Board of Supervisors of the County of Humboldt, State of California, in so far as such exercise is necessary for the construction and operation of the aforementioned proposed extension to the City of Trinidad.
- 2. That public convenience and necessity require and will require the exercise by Pacific Cas and Electric Company of the right and privilege to be granted to it by a franchise which it contemplates receiving from the City Council of the City of Trinidad, Humboldt County, and the Commission will hereafter, upon application by Pacific Cas and Electric Company, when it shall have obtained the right, privilege and franchise which it contemplates securing from the City of Trinidad, Humboldt County, as herein in this application set forth, issue to applicant a certificate authorizing the exercise of same.
- 3. That public convenience and necessity require the exercise by Pacific Gas and Electric Company of the temporary permit granted by the City Council of the City of Trinidad, Humboldt County, on February 1, 1937, pending the effective date of the franchise for which application has been made.

The effective date of this order is the date hereof.

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 14 ay of June, 1937.