

Decision No. 31511.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
SIERRA PACIFIC POWER COMPANY, (a
corporation) for a certificate of
public convenience and necessity
authorizing applicant to extend its
electric service into the City of
Loyalton, Sierra County, California.

ORIGINAL

Application No. 22279.

Alfred R. Lowey, City Attorney, for City
of Loyalton.
Thatcher and Woodburn, by Wm. J. Forman,
for Applicant.

BY THE COMMISSION:

O P I N I O N

Sierra Pacific Power Company requests a certificate of public convenience and necessity, under Section 50 of the Public Utilities Act, authorizing the exercise of the rights and privileges granted to it by Ordinance No. 151 of the City Council of the City of Loyalton, County of Sierra, adopted on September 7, 1938, a copy of which is attached to the application.

Public hearing was held before Examiner Wehe at the City of Loyalton, California, on November 22, 1938. No one appeared to protest the granting of the application.

It appears from the record that Applicant is now serving in the County of Sierra and under Application No. 15267 was granted a certificate of public convenience and necessity to exercise the rights and privileges granted by Ordinance No. 125 of the Board of Supervisors of Sierra County. Said county ordinance was for a period of fifty years, dating from September 11, 1929. While Applicant is now rendering electric service in the

County of Sierra, it has not been supplying such service to the City of Loyalton, except for standby service to the Clover Valley Lumber Company, which plant is located adjacent to the city limits.

It is of record that the electric distribution system within said City has been owned by the City and leased to the Lumber Company for operation. The Lumber Company supplies electric energy from its own local mill plant, augmented at times from the standby service furnished by Applicant.

It is also of record that on the 12th day of October, 1938, Applicant purchased from the City of Loyalton the said Loyalton Municipal Light System for the sum of Three Thousand (3,000) Dollars. Attached as Exhibit B to the application is a written relinquishment by the Clover Valley Lumber Company of all rights that it may have to act as a public utility to serve and sell electric energy in the City of Loyalton.

It is further of record that, in the municipal election which was held prior to the sale of said Municipal Light System, the vote was unanimous for the sale of same to Applicant, Sierra Pacific Power Company.

At the hearing members of the City Council of Loyalton testified as to the past inadequate and unsatisfactory nature of the electric service and of their desire that Applicant be given a certificate to permit it to render a standard of electric service given by Applicant on other parts of its system.

Mr. C. E. Fletcher, General Superintendent for Applicant, testified that his company was ready to completely rebuild the distribution system, at a cost estimated between \$12,000 and \$15,000,

in order that a satisfactory and proper electric service might be rendered; that the supply for the City would be secured by making connections to Applicant's high tension lines, now existing immediately adjacent to the city limits of the City of Loyalton; and that his company proposes to make a substantial reduction in electric rates from those which are now being paid, by filing with the Commission the same rates that are now in effect in the Portola District. The rate schedules thus to be filed and made available to the City of Loyalton are as follows:

Schedule P-1 (Revised Sheet C.R.C. No. 93-E)
Schedule C-4 (Original Sheet C.R. C. No. 89-E)
Schedule D-4 (Original Sheet C.R.C. No. 88-E)
Schedule 3-P-1 (Original Sheet C.R.C. No. 91-E)
Schedule J-5 (Original Sheet C.R.C. No. 90-E).

Applicant has stipulated that it, its successors or assigns, will never claim before the Railroad Commission of the State of California, or any court or public body, any value for the franchise herein referred to in excess of the actual cost thereof, which amounted to \$408.60, exclusive of the \$50.00 fee for the filing of the present application.

Since it appears from the record that Applicant proposes and is capable of rendering a better electric service than is now supplied and at lower rates to the City of Loyalton and, further, because the people of that community are desirous of the proposed change in electric service and because Applicant already has a certificate to render public utility service in the County of Sierra and no opposition to the granting of any part of the application, was

heard, the Commission is of the opinion that the certificate should be granted, subject to the following order:

ORDER

IT IS FOUND AS A FACT that public convenience and necessity require and Sierra Pacific Power Company is hereby granted a certificate of public convenience and necessity to construct, maintain and operate an electric distribution system in the City of Loyalton and exercise the rights and privileges granted to it by Ordinance No. 151 of the City Council of the City of Loyalton, subject to the following conditions and not otherwise:

1. Applicant shall file with the Railroad Commission, within thirty(30) days from the date hereof, written acceptance of the certificate herein granted.
2. Applicant shall file with the Railroad Commission, in the regular manner, the schedule of electric rates for the City of Loyalton. Such schedule of rates shall include the presently filed tariffs now available for the Portola District under Schedules P-1, C-4, D-4, 3-P-1 and J-5.
3. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission of the State of California has been obtained for such discontinuance, sale, lease, transfer or assignment.
4. The authorization herein granted shall lapse and become null and void if not exercised within one(1) year from the date hereof.

For all other purposes the effective date of this order shall be the date hereof.

DATED at Los Angeles, California, this 5th day of December, 1938.

Raymond J. ...

Frank ...

Ray ...

COMMISSIONERS