

Decision No. 32608**ORIGINAL**

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. 92 of the
 City Council of the CITY OF MENLO PARK,
 County of San Mateo, State of California.)
 (ELECTRIC)

Application No. 23778

R. W. DuVal, Attorney, for Applicant.

BY THE COMMISSION:

OPINION

Pacific Gas and Electric Company has applied for authority to exercise rights and privileges pertaining to electric service expressed in a franchise granted it by the City of Menlo Park, San Mateo County.

This franchise is one authorized by the Franchise Act of 1937 and is in lieu of asserted franchises under which Applicant or its predecessors in interest have rendered electric service continuously in that city for many years. It is indeterminate in duration and provides that the grantee shall during the term thereof pay to the City of Menlo Park an amount not less than one per cent (1%) of the gross annual receipts derived by grantee from the sale of electricity within the limits of said city.

A hearing on this application has been held and it is evident that the requested authority should be given.

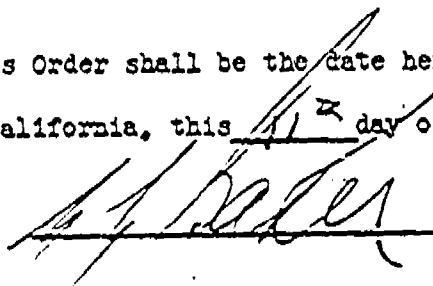
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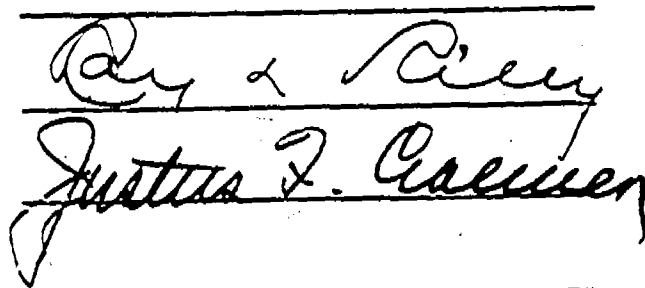
The application of Pacific Gas and Electric Company having been considered and it being found as a fact that public convenience and necessity so require,

IT IS ORDERED that Pacific Gas and Electric Company be and hereby is granted a certificate for the exercise of rights and privileges granted it by the City of Menlo Park, San Mateo County, California, under its Ordinance No. 92, adopted December 26, 1939. This grant is subject to the condition, however, that Pacific Gas and Electric Company, its successors or assigns will never claim before this Commission or any court or other public body a value for said franchise or for the authority hereby granted in excess of the actual cost thereof.

The effective date of this Order shall be the date hereof.

Dated at San Francisco, California, this 11th day of March, 1941.





Commissioners

Application No. 23778

I dissent.

In this case the Company paid to the City of Menlo Park the sum of \$650 in addition to the legal publication cost of the franchise amounting to \$31.20. Apparently this payment of \$650 for the franchise was arrived at by halving an amount of \$1,300 which had been agreed upon by the company and the city as a consideration for the issuance of two franchises, one for the distribution of electricity and the other for gas. As I stated in previous dissenting opinions relating to arbitrary payments for franchises, I believe the Commission should determine a policy with respect to all such payments, and until such a policy is adopted I do not believe a certificate should issue in this case.

Franck R. Havenner

FRANCK R. HAVENNER

Commissioners.