Application 235 aos

Decision No. 34505

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

Application of THE NEVADA-CALIFORNIA ELECTRIC CORPORATION, a corporation, for a Certificate of Public Convenience and Necessity to Exercise Rights under Franchise in the City of Palm Springs.

Application No. 23819

Henry W. Coil and Gilbert C. Delvaille, for Applicant Roy W. Colegate, City Attorney, for City of Palm Springs, Interested Party.

BY THE COMMISSION:

## $\underline{O P I N I O N}$

The Nevada-California Electric Corporation has applied for authority to exercise rights and privileges pertaining to electric service expressed in a franchise granted it by the City of Palm Springs, County of Riverside, California. A public hearing on the application was held at Falm Springs on May 2, 1941, at which time the matter was duly submitted.

The franchise involved herein is one authorized by the Franchise Act of 1937, and is in lieu of other asserted franchises under which applicant or its predecessors in interest have rendered electric service in that city for many years. It is for the duration of fifty (50) years and provides that the grantee shall during the term thereof pay to the City of Palm S,rings an amount not less than one per cent (1%) of the gross annual receipts derived by the grantee from the sale of electricity within the limits of that city. Applicant alleged that the cost of the franchise was \$70.23, exclusive of the \$50.00 filing fee for the present application and the publication of notices of hearing in the amount of \$5.00.

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Ordinance No. 87, of the City of Palm Springs, dated November 6, 1940, granted the franchise involved herein. The City Attorney of Palm Springs, and Counsel for applicant requested that the franchise be made effective as of January 1, 1941, inasmuch as Palm Springs is a winter resort and the bulk of the electric revenue is derived by applicant during the first five months of the year. This request appears reasonable and in our opinion should be granted.

According to the testimony introduced on behalf of the applicant, it is evident that the requested authority should be given.

## <u><u>C</u> <u>R</u> <u>D</u> <u>E</u> <u>R</u></u>

The application of The Nevada-California Electric Corporation having been considered and,

IT BEING FOUND AS A FACT that public convenience and necessity so require,

IT IS HERE ORDERED that The Nevada-California Electric Corporation be and is hereby granted a certificate for the exercise of rights and privileges granted it by the City of Palm Springs, Riverside County, California, under its Ordinance No. 87 adopted November 6, 1940. This grant is subject to the condition, however, that The Nevada-California Electric Corporation, its successors or assigns, will never claim before this Commission or any court or other public body, a value for the franchise or for the authority herein granted, in excess of the actual cost thereof.

The effective date of the certificate herein granted shall be deemed to be January 1, 1941.

The effective date of this Order shall be the date hereof. Dated at San Francisco, California, this // day of

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1941.

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Commissioners.