Decision No. 37936 BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA In the Matter of the Application of THE CALIFORNIA OREGON POWER COMPANY, a corporation, for an order granting to it a certificate of public convenience and necessity to exercise the right, privilege and franchise granted to it by the Board

of Supervisors of the County of Del Norte,

ORIGINAL

Application No. 26685

Brobeck, Phleger and Harrison by James S. Moore, Jr., for Applicant

BY THE COMMISSION:

California.

<u>OPINION</u>

In this application The California Oregon Power Company seeks authority to exercise a franchise granted by the County of Del Norte permitting the installation and maintenance of electric facilities upon the roads and highways of that county.

The franchise referred to, a copy of which is attached to the application and marked Exhibit "A," is for a term of fifty (50) years. A fee is payable annually to the county, equivalent to two per cent (2%) of the gross receipts arising from the use, operation and possession of said franchise. The direct cost to Applicant in obtaining this franchise is stated to have been five hundred (\$500) dollars.

A public hearing on this application was held by Examiner Daly, at which no one appeared to oppose or protest the granting of the requested authority:

Applicant has practically completed the details of acquiring and preparing to operate the electric utility business of the Public Utilities California Corporation in Del Norte County under authority granted by Decision No. 37780 in Application 26567. Public Utilities California Corporation has for many years furnished electric service in the west central portion of Del Norte County in and about the incorporated city of Crescent City and the unincorporated town of Smith River under limited franchises. Klamath Water, Light and Power Company has likewise for many years supplied electric service in and about the unincorporated towns of Klamath and Requa in the southwestern corner of the county under a limited franchise.

Applicant states that its operations will not conflict with those of Klamath Water, Light and Power Company and that if the requested certificate is granted it will never use the same for the purpose of extending its facilities into the recognized service area of that utility and competing with it.

Applicant proposes to build a transmission line from a point on its system in southern Oregon to its predocessor's present service area and by means thereof not only supply that area but also extend electric service into hitherto unserved portions of Del Norte County accessible to that line.

Applicant acquired no county franchise from its predecessor and if it.
is to operate lawfully and carry out its plans for this improvement and extension of service, it is evident its request for a certificate of public convenience and necessity to exercise its newly acquired franchise should be granted with appropriate restrictions imposed. The certificate of public convenience and necessity authorized herein is subject to the following provision of law:

(a) That the Commission shall have no power to authorize the capitalization of the franchise involved herein or this certificate of public convenience and necessity or the right to own, operate or enjoy such franchise or certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State or to a political subdivision thereof as the consideration for the grant of such franchise, certificate of public convenience and necessity or right.

ORDER

A public hearing having been held upon the application of The California Oregon Power Company, the matter considered, it appearing to the Commission and it being found as a fact that public convenience and necessity so require, therefore,

IT IS HEREBY ORDERED that The California Oregon Power Company be, and hereby is authorized to exercise the right and privilege granted by the County of Del Norte by Ordinance No. 160, adopted April 20, 1945, subject to the condition that, except upon further certificate of this Commission, Applicant shell not exercise said franchise for the purpose of supplying electricity within any portion of said county now being supplied with electricity by any other public utility.

> The effective date of this Order shall be the date hereof. Dated at San Francisco, California, this 39 day of Ma