

Decision No. 44953**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of
 PACIFIC GAS AND ELECTRIC COMPANY for
 an order of the Public Utilities Com-
 mission 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. 407 of the City Council
 of the City of Chico, County of Butte,
 State of California.
 (Electric)

Application No. 31660

R. W. DuVal and Frederick T. Searls
 by Frederick T. Searls, for applicant.

O P I N I O N

Pacific Gas and Electric Company, a California corporation, in this proceeding asks for a certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted by the City of Chico, permitting the installation, maintenance and use of an electric transmission and distribution system upon the streets of said city. A public hearing was held before Examiner Emerson on October 18, 1950, at Chico, California.

The franchise referred to, a copy of which is attached to the application as Exhibit "A" thereof, was granted by the city in accordance with the Franchise Act of 1937 and is of indeterminate duration. A fee is payable annually to the city equivalent to 2% of the gross receipts arising from the use.

operation, or possession of the franchise, but not less than 1/2% of the gross annual receipts from sales of electricity within the limits of such city under said franchise.

The costs incurred by applicant in obtaining the franchise are stated to have been \$34.88, which amount does not include costs incident to this application.

No objection to the granting of the certificate has been entered. Furthermore, this utility has for many years served electricity in and about the City of Chico. As of December 31, 1949, it served 4,650 electric customers within the city's limits. No other utility serves electricity in the area.

The certificate of public convenience and necessity herein granted is subject to the following provisions 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 a political subdivision thereof as the consideration for the grant of such franchise, certificate of public convenience and necessity or right.
- (b) That the franchise involved herein shall never be given any value before any court or other public authority in any proceeding of any character in excess of the cost to the grantee of the necessary publication and any other sum paid by it to the municipality therefor at the time of the application thereof.

O R D E R

The above-entitled application having been considered, a public hearing having been held, the matter having been submitted and now being ready for decision,

IT IS HEREBY FOUND AS A FACT that public convenience and necessity require the exercise by applicant of the right, privilege and franchise granted to applicant by Ordinance No. 407 of the City of Chico.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and is granted to Pacific Gas and Electric Company of California to exercise the rights and privileges granted by the City of Chico by Ordinance No. 407 adopted January 17, 1950.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 30th day of October, 1950.

R. E. Dunning
Justin J. Casper
David Powell
Harold A. Kula
Wesley H. Potter
Commissioners.