## ORIGINAL

Decision No. <u>27709</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ) The California Oregon Power Company ) for an Order Issuing to Applicant ) a Certificate of Public Convenience ) and Necessity to Exercise the Right, ) Privilege and Franchise granted by ) Ordinance No. 24 of the Board of ) Trustees of the Town of Etna, ) Siskiyou County, California.

Application No. 33571

## <u>George D. Rives and Joseph J. Pileckas</u> of Brobeck, Phleger & Harrison, attorneys for applicant.

## <u>OPINION</u>

The California Oregon Power Company in this proceeding asks for a certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted by the Town of Etna to California-Oregon Power Company, its successors or assigns, permitting the installation, maintenance and use of an electric distribution and transmission system upon the streets of said city. A public hearing was held before Examiner Watters on September 4, 1952 at San Francisco.

The franchise which applicant seeks authority to exercise was a grant given a predecessor utility, 'California-Oregon Power Company, in 1920 but which scemingly was not then presented to the Commission for such formal action thereon as may have been required by the provisions of Section 1002 of the Public Utilities Code. In a recent review by applicant of the status of its franchises and certificates, some question was raised as to whether it required a certificate in connection with the subject franchise. To resolve any question in respect to such certificate, this application was filed.

-1-

A-33571

Notice is taken, however, that applicant and its predecessor company were before this Commission when the existence of this early franchise grant was revealed and its assignment to applicant was permitted (Decision No. 8723, dated March 10, 1921, in Application No. 6512). The Commission in the past has granted requests for certificates under similar circumstances.

The franchise referred to, a copy of which is attached to the application and designated as Exhibit A, was granted to California-Oregon Power Company by the city in accordance with the Broughton Act and is for a term of 50 years. Applicant has been paying annually to the city, and its witness stated that it intended to continue to pay, a fee equivalent to 2% of the gross receipts arising from the sale of electricity within the limits of the city under said franchise.

The costs incurred in obtaining the franchise are stated to have been \$154.45, which amount does not include costs incident to this application.

No objection to the granting of the requested certificate has been entered. Furthermore, this utility or its predecessors have for many years served electricity in and about the city of Etna without competition. As of July 31, 1952 it served 259 electric customers within the city.

The certificate of public convenience and necessity herein granted is subject to the following provision of law:

> 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.

> > -2-

## <u>ORDER</u>

The above-entitled application having been filed, 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 California-Oregon Power Company, which company was subsequently acquired by applicant, by Ordinance No. 24 of the Town of Etna.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and is granted to The California Oregon Power Company to exercise the rights and privileges granted to California-Oregon Power Company by the Town of Etna by Ordinance No. 24 adopted August 2, 1920.

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

-3-

Dated at francisco, California, this 16th day of fifteender, 1952.

Commissioners.

A-33571