

Decision No. 48666**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 GENERAL TELEPHONE COMPANY OF)
 CALIFORNIA, a corporation, for an)
 order of the Public Utilities Commission)
 of the State of California granting it)
 a certificate declaring that public con-) Application No. 34235
 venience and necessity require the)
 exercise by it of the rights and privi-)
 leges conferred upon it under the)
 franchise granted it by the City of)
 San Bernardino, by Ordinance No. 1972.)

O'Melveny & Myers, by Frederick N. Edwards,
and Marshall K. Taylor, attorneys for
applicant.

O P I N I O N

General Telephone Company of California, a corporation, by the above-entitled application filed April 10, 1953, seeks a certificate that public convenience and necessity require the exercise by it of the rights and privileges under a franchise granted by Ordinance No. 1972 of the City of San Bernardino. The area covered by the franchise and the boundaries of the City of San Bernardino as of April 2, 1953, the effective date of the ordinance, are shown on the map Exhibit No. 1 filed at the hearing. Said map amends the map Exhibit "B" attached to the application.

A public hearing on this matter was held May 13, 1953, before Examiner Warner at Los Angeles.

A copy of Ordinance No. 1972 of the City of San Bernardino dated March 3, 1953, was attached to the application as Exhibit "A". Proof of publication of the notice of hearing was submitted at the hearing, and affidavit of service by mail on the mayor of the City of San Bernardino was filed with the application.

No protests to the granting of the application were entered at the hearing.

Applicant furnishes telephone service to approximately 26,000 subscribers in the franchise area, and its investment in plant is in excess of seven million dollars in said area. A franchise granted to a predecessor of applicant by Ordinance No. 275 of the City of San Bernardino on or about February 17, 1903, expired on or about February 17, 1953.

Applicant paid the City of San Bernardino \$200 for the franchise granted by Ordinance No. 1972. The cost of publishing said franchise amounted to \$331.88, which applicant paid.

The franchise granted by Ordinance No. 1972 is a Broughton Act franchise. Payments to the City of San Bernardino for the year 1952 under Ordinance No. 275 hereinbefore referred to amounted to \$36,152, which is two per cent of gross revenues arising from the use, operation or possession of the rights granted by that ordinance. No change in methods of computing annual payments is contained in Ordinance No. 1972.

The record shows that applicant would not be able to continue rendering telephone service within the City of San Bernardino if this application were denied.

The Commission has considered the application of General Telephone Company of California for a certificate of public convenience and necessity and is of the opinion that it should be granted subject to the following provision of law:

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

O R D E R

Application as above entitled having been filed, a public hearing having been held, the matter having been submitted and the Commission being fully advised and finding that public convenience and necessity so require,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be, and it is, granted to General Telephone Company of California, a corporation, authorizing the exercise by it of the rights and privileges granted it by the City of San Bernardino by Ordinance No. 1972.

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

Dated at SAN FRANCISCO, California, this 1st day of JUNE, 1953.

[Signature]
 President

[Signature]

[Signature]

[Signature]

 Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.