

Decision No. 49226**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 COAST COUNTIES GAS AND ELECTRIC COMPANY,)
 a corporation, for a certificate under)
 Section 1002 of the Public Utilities)
 Code that public convenience and neces-)
 sity require the exercise of a right,)
 privilege and franchise to transmit and)
 distribute gas for any and all purposes)
 in the County of Contra Costa.)

Application No. 34618,
Amended.

W. E. Johns and J. E. Sheeks, for
 applicant.

R. W. Joyce, for Pacific Gas and Electric
 Company, interested party.

O P I N I O N

Coast Counties Gas and Electric 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 County of Contra Costa, permitting the installation, maintenance, and use of a gas distribution and transmission system in the streets of said county. A public hearing was held before Examiner Daly on October 6, 1953, at San Francisco.

The franchise referred to, a copy of which is attached to the application and designated as Exhibit A, was granted by the county in accordance with the Broughton Act and is of indeterminate duration. A fee is payable annually to the county equivalent to 2 per cent of the gross receipts arising from the use, operation, or possession of the franchise.

At the hearing applicant amended its application to show that the costs incurred in obtaining the franchise were \$208.40, which amount does not include the costs incident to this application. No objection to the granting of the authority was entered.

Applicant has heretofore been rendering gas service in a portion of said county under a franchise granted by Ordinance No. 130 adopted September 2, 1913 and certificate of public convenience and necessity granted by Decision No. 39230 in Application No. 27359. Applicant states that if the certificate herein sought is granted it will surrender its rights under the existing franchise and certificate and conduct its natural gas business in said county under franchise granted by Ordinance No. 796 adopted June 16, 1953.

Pacific Gas and Electric Company is also providing natural gas service in a portion of said county. By Decision No. 39230 a definite boundary was established between the gas service areas of said companies. More specifically, a map and legal description showing the boundary between the gas service areas of the respective companies were received in evidence as Exhibits Nos. 7 and 8 in Application No. 27359. By Decision No. 39230 in that proceeding the Commission approved the division of service areas. Exhibits Nos. 7 and 8 in Application No. 27359 were received in evidence in this proceeding by reference. It was stated that applicant and Pacific Gas and Electric Company are not competing in the area herein considered and that applicant would accept appropriate restrictions in an order granting the certificate prayed for.

After consideration of the evidence, the Commission is of the opinion and so finds that public convenience and necessity require the granting of the authority sought.

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.

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 exercise by applicant of the right, privilege and franchise granted to Coast Counties Gas and Electric Company by Ordinance No. 796 of the Board of Supervisors of Contra Costa County, therefore,

IT IS HEREBY ORDERED that Coast Counties Gas and Electric Company be and it is granted a certificate that public convenience and necessity require the exercise by it of the right, privilege and franchise granted to it by Ordinance No. 796 adopted June 16, 1953 by the Board of Supervisors of Contra Costa County, subject, however, to the following conditions:

1. That except upon further certification by this Commission first obtained, applicant shall not exercise said franchise for the purpose of constructing and operating extensions of its natural gas system throughout the unincorporated portions of Contra Costa County lying generally west of that certain line delineated on the map filed as Exhibit No. 7 and generally described in Exhibit No. 8 in Application No. 27359.
2. That the Commission may hereafter by appropriate proceeding and order limit the authority herein granted to applicant as to any territory within said county not then being served by it.

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

Dated at San Francisco, California, this 20th day of October, 1953.

J. F. [Signature] President
[Signature]
[Signature]
[Signature]
[Signature] Commissioners