

ORIGINAL

Decision No. 49451

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 PACIFIC GAS AND ELECTRIC COMPANY for)
 a certificate of public convenience)
 and necessity to construct, operate)
 and maintain a natural gas project)
 herein described; for certificates)
 under Article 1 of Chapter 5 of the)
 Public Utilities Code re the exercise)
 of rights under franchises obtained)
 and to be obtained; for authorization)
 to supply natural gas service to the)
 City of Corning and adjacent areas in)
 the County of Tehama, and to file and)
 make effective the attached gas)
 tariff schedules.)
 (Natural Gas Project - Corning))

Application No. 34459
(First Supplemental) ✓

In the Matter of the Application of)
 PACIFIC GAS AND ELECTRIC COMPANY for)
 a certificate or certificates of)
 public convenience and necessity,)
 under Article 1 of Chapter 5 of the)
 Public Utilities Code, to construct,)
 operate and maintain a natural gas)
 project herein described; and to)
 exercise the rights under franchises)
 obtained and to be obtained; and for)
 authorization to supply natural gas)
 service in the City of Orland and)
 adjacent areas in the County of)
 Glenn, and to file and make effective)
 the attached gas tariff schedules.)
 (Natural Gas Project - Orland))

Application No. 34597
(First Supplemental) ✓

OPINION AND ORDER

Applicant, Pacific Gas and Electric Company, seeks a supplemental order to the above-numbered applications granting certificates of public convenience and necessity to exercise the gas franchises granted by the Cities of Corning and Orland.

By Decision No. 49130 dated September 22, 1953, in Applications Nos. 34459 and 34597, this Commission stated that

public convenience and necessity require the exercise by applicant of the rights, privileges and franchises to be granted by the Cities of Corning and Orland. In compliance with paragraph 2 of the order in the above decision, applicant has now applied for authority to exercise the rights and privileges granted by the franchises appended to the supplemental application as Exhibits G and H.

On October 6, 1953, the City Council of Corning adopted Ordinance No. 109 and on October 5, 1953, the City Council of Orland adopted Ordinance No. 141. Each ordinance grants to applicant a franchise of indeterminate duration under the Franchise Act of 1937.

Under the terms of each franchise a fee is payable annually to the city equivalent to two per cent of the gross receipts arising from the use, operation, or possession of the franchise, but not less than one per cent of the gross annual receipts from sales of gas within the limits of the city under the franchise.

The costs incurred by applicant in obtaining the franchises are stated to have been \$44 for the Corning franchise and \$37.50 for the Orland franchise.

The certificates of public convenience and necessity herein granted are subject to the following provisions of law:

1. 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. 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 acquisition thereof.

The above-entitled supplemental applications having been filed, and an additional public hearing not being necessary,

IT IS HEREBY FOUND AS A FACT that public convenience and necessity require the exercise by applicant of the rights, privileges and franchises granted by Ordinance No. 109 of the City of Corning and Ordinance No. 141 of the City of Orland.

IT IS HEREBY ORDERED that certificates of public convenience and necessity be and they are hereby granted to the Pacific Gas and Electric Company to exercise the rights and privileges granted by the City of Corning by Ordinance No. 109 adopted on October 6, 1953, and the rights and privileges granted by the City of Orland by Ordinance No. 141 adopted on October 5, 1953.

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

Dated at San Francisco, California, this 21st day of December, 1953.

R. F. Anderson
President
Justice J. Callahan
Kenneth Patten
John E. McCall
Verne Higgins
Commissioners