ORICINAL

Decision No. <u>51109</u>

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 Commission of the State of California issuing to applicant a certificate of public convenience and necessity to exercise the right, privilege and franchise granted to applicant by Ordinance No. 1121, as amended by Ordinance No. 1134, of the City Council of the City of Napa, County of Napa, State of California.

(Gas)

Application No. 35906

F. T. Searls and <u>John Carroll Morrissey</u>, for applicant.

OBINION

Pacific 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 City of Napa, permitting the installation, maintenance, and use of a gas distribution and transmission system in the streets of said city. A public hearing was held before Examiner T. E. Daly on January 25, 1955, at San Francisco.

The franchise referred to, which was granted by Ordinance No. 1121 and as amended by Ordinance No. 1134 of the City Council of the City of Napa, was granted by the city in accordance with its charter provisions, and is of indeterminate duration. Copies of Ordinance No. 1121 and Ordinance No. 1134 are attached to the application as Exhibits A and B, respectively. 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 said franchise.

The costs incurred by applicant in obtaining the franchise are stated to have been \$165, 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 gas in and about the City of Napa without competition. As of December 31, 1953, it served 5,672 customers within the city from approximately 59.2 miles of gas mains therein.

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.

ORDER

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 applicant by Ordinance No. 1121 and as amended by Ordinance No. 1134 of the City of Napa.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Pacific Gas and Electric Company to exercise the rights and privileges granted by the City of Napa by Ordinance No. 1121 adopted March 1, 1954, and as amended by Ordinance No. 1134 adopted July 19, 1954.

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

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Commissioners