## ORIGINAL

Decision No. 51418

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN CALIFORNIA MATER COMPANY for an order granting it a certificate of public convenience and necessity to exercise rights under the franchise granted by Ordinance No. 127 of the City of Calipatria.

Application No. 36756

O'Melveny & Myers, attorneys, by <u>Frederick N</u>. Edwards, for applicant.

## <u>o p i nºi o n</u>

Southern California Water Company, a corporation, by the above-entitled application filed February 25, 1955, seeks a certificate that public convenience and necessity require the exercise of the rights, privileges, and franchise granted by Ordinance No. 127 of the City of Calipatria, Imperial County, permitting the installation, maintenance, and use of a water distribution and transmission system in the streets of said city.

A public hearing in this matter was held before Examiner Stewart C. Warner on April 8, 1955, at Los Angeles.

The franchise referred to, a copy of which is attached to the application as Exhibit A, was granted by the city on July 13, 1954, and became effective thirty days thereafter. Said franchise is a Broughton Act franchise and will extend for forty years. Proof of publication of the notice of hearing was submitted at the hearing, and no protests to the granting of the application were entered.

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As of February 28, 1955 applicant was furnishing water service to approximately 395 consumers in the franchise area and 29 fire hydrants were connected to applicant's water system within the city limits. Applicant formerly operated in the City of Calipatria under claim of easements reserved on the original townsite map.

Applicant paid the City of Calipatria (215 for the franchise granted by Ordinance No. 127. Traveling expenses amounted to (20.15 and the filing fee amounted to (50, for a total cost of the franchise of (285.15. Said total cost does not include the cost of publication of notice of hearing and the cost of securing the affidavit of said publication. These costs had not been ascertained as of the date of the hearing.

Annual payments to the City of Calipatria will be based on two percent of the gross annual receipts arising from the use, operation, or possession of the franchise during its life. Based on gross receipts for the year, 1954, the payment for that year would have been \$523.26, as shown in Exhibit No. 1.

The record shows that applicant has been furnishing water service within the City of Calipatria for many years, and it appears that public interest requires that applicant continue to render such service within said city.

The Commission has considered the application of Southern California Water Company 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:

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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.

## Q 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 Southern California Water Company, a corporation, authorizing the exercise by it of the rights and privileges granted it by the City of Calipatria, Imperial County, by Ordinance No. 127, adopted July 13, 1954.

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

Dated at San Francisco , California, 2 hts this day of 1955. dont 11

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Commissioners.