

**ORIGINAL**Decision No. 53436

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	)	Application No. 37749
exercise the right, privilege and	)	
franchise granted to applicant by	)	
Ordinance No. 179 N.C. of the City	)	
Council of the City of Vallejo,	)	
County of Solano, State of California.	)	
(Gas)	)	

F. T. Searls and Malcolm A. MacKillop, for applicant.

O P I N I O N

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 Vallejo 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 Daly on June 13, 1956, at San Francisco.

The franchise referred to, a copy of which is attached to the application and designated as Exhibit A, was granted pursuant to the City Charter of Vallejo and is of indeterminate duration. A fee is payable annually to the city equivalent to 2 per cent of the gross receipts arising from the use, operation, or possession of the franchise, but not less than 1 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 \$21,502.90, which amount does not include costs incident to this application. Said consideration covers annual franchise payments back to 1952, when applicant's prior franchise expired.

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 Vallejo without competition. As of December 31, 1955, it served 10,465 customers within the city from approximately 91.93 miles of gas mains therein.

After consideration 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. 179 N. C. of the City of Vallejo.

The certificate of public convenience and necessity herein granted is subject to the following provision 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.

O R D E R

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 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 Vallejo by Ordinance No. 179 N.C. adopted February 28, 1955.

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

Dated at San Francisco, California, this 16th day of July, 1956.

John E. Mitchell  
President

Justus D. Calmer

Ralph L. Esterline

Wm. H. Bolen

R. Hardy

Commissioners