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## ORIGINAL

Decision	No.	•	56028
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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN CALIFORNIA WATER COMPANY for an order granting it a certificate of public convenience and necessity to exercise rights under the franchise granted by Ordinance No. 134 of the City of Barstow.

Application No. 39380

O'Melveny & Myers, attorneys, by Charles K. Mills, for applicant.

## OPINION

Southern California Water Company, a corporation, pursuant to Section 1002 of the Public Utilities Code, has applied for a certificate that public convenience and necessity require the exercise of a franchise from the City of Barstow, granted to applicant by Ordinance No. 134 of said city. The ordinance was passed April 15, 1957, and became effective thirty days thereafter.

A public hearing was held at Los Angeles before Examiner Mark V. Chiesa. Proof of publication of the notice of hearing was filed at the hearing. No protests were entered.

Applicant is a public utility producing, distributing and supplying water in certain areas within the Counties of Los Angeles, Orange, San Bernardino, Imperial, Ventura and Sacramento. It also distributes and supplies electric energy in Bear Valley in the County of San Bernardino.

Applicant's Barstow District is in the County of San

Bernardino which includes the entire City of Barstow. The new franchise which replaces an old county franchise also covers future city
annexations. Applicant's properties within the said district are

valued in the neighborhood of \$770,000, after depreciation. The present number of customers served is 2,274 and in addition there are 121 fire hydrants.

The franchise is for a period of 40 years and provides for the payment to the city of 2 percent of the gross annual receipts arising from the use, operation or possession of said franchise during its life. A copy of said ordinance is attached to the application as Exhibit "A". Based on 1956 gross receipts, payments under the franchise would have amounted to approximately \$1,107.

Costs incurred in procuring the franchise are \$50 for filing this application, \$100 for the franchise, \$250 legal fees and, in addition, the cost of publishing the notice of hearing.

It is the opinion of this Commission, and we find, that public convenience and necessity require the exercise of said franchise.

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.

A public hearing having been held, the Commission being fully advised in the premises and having found as hereinabove set forth,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is granted to the Southern

California Water Company, a corporation, authorizing it to exercise the rights and privileges granted by the City of Barstow, County of San Bernardino, by Ordinance No. 134, adopted April 15, 1957.

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

	Dated at	San Francisco	_, California, this 30.8h
day of	( December)	, 1957.	
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			President .
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Commissioners