ORIGINAL

Decision No. - STOCKE

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CITIZENS SUBURBAN COMPANY, a California corporation, for a certificate of public convenience and necessity authorizing applicant to furnish public utility water service in certain portions of Sacramento County, California, to exercise franchise rights in connection therewith, and to issue and sell its capital stock.

Application No. 38126

In the Matter of the Application of CITIZENS SUBURBAN COMPANY, a California corporation, for a certificate of public convenience and necessity authorizing applicant to furnish a public utility water service in certain portions of Sacramento County, California, to exercise franchise rights in connection therewith, and to issue and sell its capital stock.

Application No. 37236

OPINION

By Decisions Nos. 53807 and 53808 signed September 25, 1956, Citizens Suburban Company was granted certificates of public convenience and necessity to construct and operate a public utility water service in unincorporated areas of Sacramento County. Said decisions provided that when applicant filed supplemental applications to which was attached a copy of an anticipated franchise from the Board of Supervisors of the County of Sacramento covering a greater area than those certificated, the Commission would issue a certificate of public convenience and necessity authorizing applicant to exercise such franchise.

By its supplemental applications applicant requests authority to exercise the rights and privileges of a franchise

granted the County of Sacramento permitting the installation, maintenance, and use of a water distribution system in a specified area of said County.

The franchise was granted by Ordinance No. 542 adopted August 6, 1956, and will continue in effect for a period of fifty years. It calls for a fee payable annually, equivalent to 2 per cent of the gross receipts arising from the use, operation or possession of the franchise.

After consideration it is 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. 542 of the County of Sacramento. Applicant is placed upon notice that the certificate hereinafter granted is for the purpose of exercising the franchise and not for the purpose of extending service.

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, and the Commission being informed in the premises,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is granted to Citizens Suburban Company to exercise the rights and privileges granted by the County of Sacramento, by Ordinance No. 542, adopted August 6, 1956.

IT IS HEREBY FURTHER ORDERED:

- 1. That Citizens Suburban Company shall not exercise said franchise for the purpose of supplying water in those portions of Sacramento County not now served by it except in the areas certificated by Decisions Nos. 53807 and 53808, dated September 25, 1956 or after authority has been first obtained from the Commission for extension of such systems beyond said areas.
- 2. That the Commission may hereafter by appropriate proceeding and order limit the authority herein granted to applicant as to any territory within said county not then being served by 1t.

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

	Dated at	San Francisco	_, California, this
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