

ORIGINALDecision No. 61908

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 granting to applicant a certi-
 ficate of public convenience and neces-
 sity to exercise the right, privilege
 and franchise granted to applicant by
 Ordinance No. F-45 of the Board of Super-
 visors of the COUNTY OF KERN, State of
 California.

(Electric)

Application No. 43179

O P I N I O N

Pacific Gas and Electric Company, in this proceeding, re-
 quests a certificate of public convenience and necessity to exercise
 the rights and privileges of a franchise granted by the County of
 Kern, California, permitting the installation, maintenance and use
 of an electric distribution and transmission system in the public
 roads of said county.

The franchise referred to, a copy of which is attached to
 the application and designated as Exhibit A, was granted by the
 county under and pursuant to the provisions of the laws of the State
 of California which relate to the granting of franchises by counties
 and is of indeterminate duration. A fee is payable annually to the
 county equivalent to 2 percent of the gross receipts arising from
 the use, operation, or possession of the franchise.

The costs incurred by applicant in obtaining the franchise
 are stated to have been \$516.92, which amount does not include costs
 incident to this application.

Applicant has served electricity in certain parts and por-
 tions of the County of Kern without competition for many years. As
 of December, -1959 it served 67,066 electric customers in

unincorporated area of said county.

Southern California Edison Company and California Electric Power Company are also engaged in the business of supplying electric service in various portions of Kern County. Edison's service area is generally located in the central portion of the county east of applicant's service area. The service area of California Electric, which is non-contiguous with and remote from that of applicant, is located generally in the extreme eastern portion of the county.

By Decision No. 39907, dated January 28, 1947, in Application No. 27836, the Commission granted Edison a certificate to exercise franchise rights, contained in Ordinance No. F-2 of the Board of Supervisors of Kern County, to install and maintain electric transmission lines and facilities throughout the entire county and to install and maintain distribution lines and facilities in a defined service area. The service area boundary line between Edison and applicant was established in that decision and is shown on two maps which appear as Exhibit B of the present application.

Applicant alleges that in its public utility business of supplying electric service to the public in Kern County it is not competing with Edison or California Electric in their respective service areas, and that the certificate sought herein is not for the purpose of authorizing it to supply service to the public within the areas now supplied by those two companies or to compete with said companies in the business of furnishing or supplying electric service to the public in the territory of either of them.

Applicant requests that a condition be attached to the certificate issued herein to provide that, except upon further certificate being first obtained from the Commission, applicant shall not exercise said franchise for the purpose of supplying electric service to the public in those parts or portions of said county now being served by Edison or California Electric.

No objection to the granting of the requested certificate has been received. A public hearing is not necessary.

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. F-45, of the County of Kern, California; subject, however, to certain conditions appearing in the following order.

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.

O R D E R

The above-entitled application having been filed, and the Commission being informed in the premises,

IT IS HEREBY ORDERED that:

1. A certificate of public convenience and necessity be and it is granted to Pacific Gas and Electric Company to exercise the rights and privileges granted by the County of Kern, California, by Ordinance No. F-45, adopted October 23, 1956.

2. Pacific Gas and Electric Company shall not exercise said franchise for the purpose of supplying electric service in those parts or portions of the County of Kern which are now being served by the Southern California Edison Company, pursuant to the authorization conferred by said Decision No. 39907, or which are now being served by the California Electric Power Company.

3. Pacific Gas and Electric Company shall not exercise said franchise for the purpose of supplying electric service in those parts or portions of the County of Kern not now being served by it, except through extensions of its existing system made in the ordinary course of business as contemplated by Section 1001 of the Public Utilities Code.

4. 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 it.

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

Dated at San Francisco, California, this 1st day of May, 1961.

Gene W. Page
 President

[Signature]
 Commissioner

[Signature]
 Commissioner

Frederick B. Holhoff
 Commissioners