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Decision No.

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 issuing a certificate of public convenience and necessity to exercise the right, privilege and franchise granted to applicant by Ordinance No. 718 of the Board of Supervisors of the COUNTY OF BUTTE, State of California. (Gas)

Application No. 44246

<u>O P I N I O N</u>

Pacific Gas and Electric Company, in this proceeding, requests a certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted by the County of Butte, California, permitting the installation, maintenance, and use of a gas distribution and transmission system in 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 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 per cent 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 \$625.79, which amount does not include costs incident to this application.

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Applicant has served gas in portions of the County of Butte without competition for many years. As of December 31, 1960, it served 10,630 customers within the county from approximately 323.87 miles of gas mains therein. No objection to the granting of the requested certificate has been received. A public hearing is not necessary.

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. 718 of the County of Butte, California.

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.

<u>O R D E R</u>

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 Butte, California, by Ordinance No. 718, adopted October 2, 1961.

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2. Pacific Gas and Electric Company shall not exercise said franchise for the purpose of supplying gas service in those parts or portions of Butte County not now 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.

3. 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 <u>San Francisco</u>, California, this <u>10th</u> day of <u>APRIL</u>, 1962.

President

Commissioners

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Commissioner I and St. C. MeMonge, boing. ' necessioning about the net participate in the disposition of this proceeding.