ORIGINAL

Decision No. 63763

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. 76 of the City Council)
of the CITY OF ANDERSON, County of )
Shasta, State of California.

(Gas)

Application No. 44426

## OPINION

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 City of Anderson, California, permitting the installation, maintenance, and use of a gas distribution and transmission system in the streets of said city.

The franchise referred to, a copy of which is attached to the application and designated as Exhibit A, was granted by the city in accordance with the Franchise Act of 1937 and is of indeterminate duration. A fee is payable annually to the city equivalent to 2 percent of the gross receipts arising from the use, operation, or possession of the franchise, but not less than 1 percent 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 \$67.01, which amount does not include costs incident to this application.

Applicant proposes to serve gas in the City of Anderson to an estimated 1,760 prospective customers to whom natural gas service will be made available by the end of the third year following commencement of operation of Main No. 402, which will be a high pressure gas main extension from applicant's Main No. 400 near the Town of Dales, Tehama County. A portion of Main No. 402 will pass through and be located within the City of Anderson. Within the three-year period following commencement of operation of Main No. 402, applicant anticipates tapping it and constructing, in the normal course of business, distribution main extensions in the City of Anderson for the purpose of supplying gas to inhabitants and residents thereof. Such service will be part of an over-all project contemplated in Application No. 43505, wherein the Commission, by Decision No. 63193, dated January 30, 1962, authorized applicant to construct, operate, maintain and use Main No. 402 and to charge and collect, for service rendered, the rates authorized by that decision, which are applicable for all service within the so-called "Shasta Rate Area", wherein the City of Anderson is located.

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. 76 of the City of Anderson, California.

The certificate of public convenience and necessity herein granted is subject to the following provisions 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.
- 2. That the franchise involved herein shall never be given any value before any court or other public authority in any proceeding of any character in excess of the cost to the grantee of the necessary publication and any other sumpaid by it to the municipality therefor at the time of the acquisition thereof.

## $\underline{O} \ \underline{R} \ \underline{D} \ \underline{E} \ \underline{R}$

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 hereby granted to Pacific Gas and Electric Company to exercise the rights and privileges granted by the City of Anderson, California, by Ordinance No. 76, adopted June 20, 1961.

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

	Dated at _	San Francisco	, California, this 4th
day of _	JUNE	4	1962.
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			President
			- Frederick B. Helelief
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<sup>-3-</sup> Commissioner Feter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.