

ORIGINAL

Decision No. 67793

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. 432 of the Board of)
 Supervisors of the COUNTY OF SHASTA,)
 State of California.)
 (Electric))

Application No. 46584
(Filed April 23, 1964)

O P I N I O N

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 Shasta, 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 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 \$446.94, which amount does not include costs incident to this application.

Applicant has served electricity in portions of the County of Shasta for many years. As of December 31, 1962 it served 15,835 electric customers within the county.

Applicant alleges that the only persons, firms or corporations, other than PG&E, now engaged in the business of furnishing, distributing and selling to the public electricity for light, heat or other lawful purposes in the County of Shasta are the Pacific Power and Light Company, in the area generally located in the northwestern portion of the county, including the communities of Delta, La Moine and Castella; the City of Redding, which owns and operates an electric distribution system for service to inhabitants within the corporate limits of that city; and the Shasta Dam Area Public Utility District, which owns and operates an electric distribution system within an area, located south of Shasta Dam approximately 10 miles north of Redding, formerly served by PG&E, but which, since about 1957, has been served by either PG&E or the District on a competitive basis (See Decision No. 56242, dated February 18, 1958, Case No. 6011).

Applicant alleges that in its utility business of furnishing and supplying electric service in the County of Shasta it is not competing with PP&L or with Redding and that the certificate sought herein is not for the purpose of authorizing PG&E to supply service to the public within the portions of Shasta County being supplied by PP&L or by Redding. PG&E proposes, under the sought certificate, to serve its present and prospective customers within the boundaries of the District and to continue to meet competition in that area as heretofore.

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

After consideration the Commission finds that public convenience and necessity require the exercise by applicant of the

right, privilege and franchise granted to applicant by Ordinance No. 432 of the County of Shasta, California.

The certificate of public convenience and necessity herein granted is subject to the following provision of law:

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

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Pacific Gas and Electric Company to exercise the rights and privileges granted by the County of Shasta, California, by Ordinance No. 432, adopted August 28, 1961.
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 Shasta 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 of California.
3. The Commission may hereafter by appropriate proceeding and order, limit the authority herein granted to Pacific Gas and

Electric Company as to any territory within the County of Shasta 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 10th day of September, 1964.

Frederick B. Hallock
President

Ernest A. Fogarty

William L. Bennett

Commissioners

Commissioner George G. Grover
present but not voting.

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.