

ORIGINALDecision No. ~~68563~~

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 CONSERVATIVE WATER COMPANY, for an
 order granting a certificate
 declaring that the public convenience
 and necessity require the exercise by
 it of rights and privileges conferred
 under a certain franchise granted by
 the City of Los Angeles.
 (Water)

Application No. 47144
 (Filed November 24, 1964)

O P I N I O N

Applicant requests a certificate of public convenience and necessity to exercise the rights and privileges of a 10-year franchise, granted October 9, 1964 by Ordinance No. 128,636 of the City of Los Angeles, under its charter, to replace a similar 5-year franchise granted in 1959 by Ordinance No. 114,801, permitting the installation, maintenance and use of water system facilities in the streets of portions of the city. (See Decision No. 59998, dated April 26, 1960, Application No. 42070.) A copy of the new franchise is attached to the application herein as Exhibit A thereof.

Applicant alleges that except as to their respective terms of five and ten years, the franchises granted by the two ordinances are substantially the same and the annual payments required by the new franchise to be paid to the City of Los Angeles will be computed on the basis of the same formula prescribed by the terms of the 5-year franchise granted by Ordinance No. 114,801. That formula provides for a fee payable annually to the city at the rate of 20 cents per cubic foot for street space required for franchise property.

Applicant has served water in portions of the City of Los Angeles and in nearby communities and unincorporated territory, for many years, through a single, integrated water system which as of August 31, 1964 had 9,091 active service connections. The utility alleges that at the present time no entity other than the City of Los Angeles is likely to compete with it in the furnishing of water service in the areas covered by the new franchise.

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. 128,636 of the City of Los Angeles, California.

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

1. 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. 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 sum paid by it to the municipality therefor at the time of the acquisition thereof.

ORDER

IT IS ORDERED that a certificate of public convenience and necessity is granted to Conservative Water Company to exercise the rights and privileges granted by the City of Los Angeles, California by Ordinance No. 128,636, adopted October 9, 1964.

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

Dated at San Francisco, California, this 9th day of February, 1965.

Fredrick B. Holuboff
President
George T. Grover
William G. Bennett

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

Commissioners