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ORIGINAL

Decision No. 68787

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. 568 of the City Council
of the CITY OF UKIAH, County of
MENDOCINO, State of California.
(Gas)

Application No. 47366

O P I N I O N

Pacific Gas and Electric Company (Pacific), 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 Ukiah (City), permitting the installation, maintenance, and use of a gas distribution and transmission system in the streets of said City.

The electorate of the City on February 2, 1965 voted to sell the municipal propane gas system to Pacific. The transfer took place on February 25, 1965 and on February 26, 1965 Pacific commenced operating the system. Ordinance No. 568 was adopted by the City Council on February 24, 1965 and will become effective on March 26, 1965. As of February 24, 1965 approximately 1,290 customers were being served from the existing propane gas system.

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 two percent of the gross receipts arising from the use, operation,

or possession of the franchise, but not less than one 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 not known at this time, but will be subsequently filed with the Commission, said amount will not include costs incident to this application.

No objection to the granting of the requested certificate has been received and 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. 568 of the City of Ukiah.

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.

O R D E R

IT IS ORDERED that a certificate of public convenience and necessity is granted to Pacific Gas and Electric Company to exercise the rights and privileges granted by the City of Ukiah by Ordinance No. 568, adopted February 24, 1965.

IT IS FURTHER ORDERED that Pacific Gas and Electric Company shall file a statement of the actual cost of acquiring the franchise granted by Ordinance No. 568.

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

Dated at San Francisco, California, this 30th day of March, 1965.

Fredrick B. Hallock
President

George L. Hoover

Augustor

William W. Bennett
Commissioners