72794 Decision No.

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SOUTHERN CALIFORNIA) WATER COMPANY for a certificate) that public convenience and neces-) sity require the exercise of the) rights and privileges conferred) under a franchise of the City of) Gardena.

Application No. 49491 (Filed June 21, 1967)

$\underline{O P I N I O N}$

Southern California Water Company requests a certificate of public convenience and necessity to exercise a franchise granted by the City of Gardena.

The franchise was granted by the City of Gardena by Ordinance No. 805 adopted May 23, 1967, and succeeds a franchise granted by the County of Los Angeles under the Broughton Act, which expired on May 2, 1967.

Pursuant to the terms of the new franchise, which expires on May 26, 1982, applicant shall pay to the City each year an amount equal to two percent of the gross annual receipts of applicant arising from the use, operation or possession of the new franchise, provided that in no event shall such payments be less than one percent of the gross annual receipts of applicant derived from the sale of water within the City.

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

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right, privilege and franchise granted to applicant by Ordinance No. 805 of the City of Gardena.

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

- The Commission shall have no power to authorize. 1. 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 Southern California Water Company to exercise the right and privilege granted by the City of Gardena by Ordinance No. 805, adopted May 23, 1967.

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

Dated at San Francisco , California, this 254 🐔 1555 v day of President ommissioners Commissioner William M. Bennett, being -2necessarily obsent. did not participate

in the disposition of this proceeding