

FG

ORIGINAL

Decision No. 90432 JUN 19 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
CITIZENS UTILITIES COMPANY OF CALIFORNIA,)
a California Corporation, for a) Application No. 58821
Certificate of Public Convenience and) (Filed April 24, 1979)
Necessity to exercise a franchise as
granted by the County of Sacramento.)

O P I N I O N

This is an application by Citizens Utilities Company of California seeking authority to exercise the rights and privileges granted them by the County of Sacramento.

Applicant presently is engaged in the distribution and sale of water within portions of the County of Sacramento pursuant to authority issued by this Commission. Applicant also provides water service in parts of San Mateo, Santa Clara, Santa Cruz and Sonoma Counties. The verified application states that the Board of Supervisors of the County of Sacramento enacted Ordinance No. 1223 which grants applicant a franchise for 50 years to conduct their water business within that portion of the county described therein.

Ordinance No. 1223 is attached to the application as an exhibit. Examination of the ordinance indicates that the franchise granted therein is of the standard type between water utilities and counties. It provides for a payment of 2 percent of applicant's annual gross receipts arising out of the use, operation or possession of the particular franchise.

That portion of the county described in Ordinance No. 1223 is within the filed service area of Citizens Utilities Company, the service area having been extended under the provisions of Section 1001 of the Public Utilities Code and General Order No. 96A by the filing of Advice Letter No. 153 on June 5, 1978. Florin County Water District, the nearest water serving agency, has indicated by memorandum from the Board of Directors, dated May 24, 1978, that it has no objection to Citizens Utilities Company serving this area. A copy of the memorandum is in the file for this application.

The area is presently under development. The utility's capability of providing adequate water to each development will be determined in the customary manner by the Commission staff.

The Commission is of the opinion that the application should be granted. No other points require discussion.

Findings of Fact

The Commission finds that:

1. A public hearing is not necessary in this matter.
2. Public convenience and necessity require the exercise by Citizens Utilities Company of California of the rights and privileges granted in the franchise conferred by Ordinance No. 1223 of the Board of Supervisors of the County of Sacramento.

Conclusions of Law

The Commission concludes that:

1. The application should be granted.
2. The certificate of public convenience and necessity issued herein is subject to the following provisions of law:
 - a. 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 issuance of such franchise, certificate of public convenience and necessity or right.

- b. 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 Citizens Utilities Company of California to exercise the rights and privileges conferred by the franchise issued pursuant to Ordinance No. 1223 of the Board of Supervisors of the County of Sacramento.

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

Dated at San Francisco, California, this 10th day of JUNE, 1979.

John E. Byron
President
Richard L. ...
Charles W. ...
Walter T. ...
James W. ...
Commissioners