

FG

Decision No. 90879 OCT 10 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

IN THE MATTER OF THE APPLICATION OF
 SAN DIEGO GAS & ELECTRIC COMPANY, A
 CORPORATION, FOR A CERTIFICATE OF
 PUBLIC CONVENIENCE AND NECESSITY
 AUTHORIZING IT TO EXERCISE ELECTRIC
 FRANCHISE RIGHTS IN THE CITY OF
 CORONADO

Application No. 58860
 (Filed May 11, 1979)

O P I N I O N

This is an application by San Diego Gas & Electric Company (Applicant) for a certificate of public convenience and necessity authorizing Applicant to exercise the rights and privileges of an electric franchise granted by the City of Coronado, California (City).

Applicant is engaged principally in the business of furnishing electricity and gas in California. Applicant has served and presently is serving electricity within the City, under a franchise granted by City pursuant to Ordinance No. 527, dated March 18, 1929. Applicant now is and for many years past has been the owner of, and operates and maintains the electric distribution and other properties situated in the territory now comprising the City, which properties are part and parcel of Applicant's general transmission and distribution systems. City is wholly within the electric service areas of Applicant. No other public utility serves electricity within City or in any territory adjacent to City.

On November 21, 1978, the City Council of the City of Coronado adopted Ordinance No. 1404, which grants Applicant a 50-year electric franchise within the City, becoming effective

December 21, 1978. Due to an administrative oversight on the part of Applicant, this application was late filed five months after the franchise agreement had been executed. A copy of the ordinance is attached to the application as Appendix "A". Applicant has included in the application a stipulation that it will not claim before this Commission, or any court or other public body, a value for the cost of obtaining the franchise in excess of its original cost, which is stated to be the sum of \$156.03, exclusive of the fee paid to the Commission.

Examination of the ordinance indicates that the franchise granted therein is of a standard type between electric utilities and cities. It provides that Applicant shall pay to the City a sum annually of two percent (2%) of the gross annual receipts arising from the use, operation, or possession of the franchise; provided, however, that such payments shall in no event be less than one percent (1%) of the gross annual receipts of Applicant derived from the sale of electricity within the limits of the City.

Findings of Fact

1. Applicant has been distributing electricity within the City of Coronado under franchise Ordinance No. 527, granted by City of Coronado and independently authorized by Commission Decision No. 24178, dated November 2, 1931.

2. Applicant is now applying for a certificate of public convenience and necessity to exercise the rights and privileges of a new electric franchise granted by Ordinance No. 1404 of the City of Coronado, which became effective on December 21, 1978.

3. Public convenience and necessity require the exercise by Applicant of the rights and privileges of the electric franchise granted to it by Ordinance No. 1404 of the City of Coronado.

Conclusions of Law

1. The application should be granted in accordance with the findings.

2. A public hearing is unnecessary.

3. The certificate of public convenience and necessity granted 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 grant 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.

A. 58860 PG*

ORDER

IT IS ORDERED that a certificate of public convenience and necessity is granted to San Diego Gas & Electric Company to exercise the rights and privileges conferred by the franchise issued pursuant to Ordinance No. 1404 of the City of Coronado, adopted November 21, 1978.

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

Dated OCT 10 1979, at San Francisco, California.

Commissioner Claire T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.

John E. Bryan

President

Richard D. Crocker

Commissioner

Lawrence J. ...

Commissioners