

ORIGINAL

Decision No. 23344.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

<p>In the Matter of the Application  of Southern California Gas Company,  a California corporation, for a  certificate of public convenience  and necessity to exercise certain  franchise rights in the County of  Stanislaus, under franchise acquired  by applicant.</p>	)
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Application No. 16965.

L. T. Rice, for Applicant.

WHITSELL, COMMISSIONER:

O P I N I O N

In this application Southern California Gas Company asks that the Railroad Commission of the State of California make its order and decision declaring that public convenience and necessity require and will require the exercise by applicant of the rights and privileges set forth in a franchise granted to Turlock Gas Company under Ordinance No. 146 of the County of Stanislaus, dated January 7, 1930, said franchise having been regularly assigned to applicant by Turlock Gas Company with the approval of the Board of Supervisors of said county under date of February 11, 1930. Copies of said franchise, assignment to applicant and resolution by the Board of Supervisors of Stanislaus County approving said assignment are all attached to the application and made a part thereof as Exhibit "A," "B," and "C," respectively.

A public hearing was held on this application at Modesto, California, on January 22, 1931.

The testimony and evidence introduced at said hearing indicate that applicant proposes to construct a gas transmission line from a point near Hughson to the City of Turlock for the purpose of supplying natural gas to applicant's consumers of said city and vicinity now being served by applicant with manufactured gas; that applicant has entered into an agreement with Pacific Gas and Electric Company for the transportation of natural gas available to Southern California Gas Company at Kettleman Hills Oil Field through Pacific Gas and Electric Company's mains to a point near Hughson, California; that the territory in which applicant wishes to serve is that triangular portion of Stanislaus County bounded on the north by the first standard parallel south of the Mt. Diablo base line, on the southeast by the county line and on the west by the San Joaquin River, and that no competition or conflicts over territorial rights or service between applicant and other utilities will be caused as a result of the granting of this application.

It appears from the testimony and evidence introduced in this proceeding that public convenience and necessity require and will require the exercise by applicant of the rights and privileges granted under Ordinance No. 146 of the County of Stanislaus, in so far as such exercise is necessary for the specific project outlined above.

I recommend the following form of Order:

O R D E R

Southern California Gas Company having asked that the Commission make its order and decision declaring that public convenience and necessity require and will require the exercise by applicant of the rights and privileges granted by franchise under Ordinance No. 146 of the County of Stanislaus, public hearing

having been held, the matter being submitted and now ready for decision,

The Railroad Commission of the State of California hereby orders and declares that public convenience and necessity require and will require the exercise by applicant of the rights and privileges granted by franchise under Ordinance No. 146 of the County of Stanislaus, in so far as the exercise of such rights and privileges are necessary for the specific project outlined in the above opinion, provided that the Railroad Commission may hereafter by appropriate proceedings and orders revoke or limit as to territory not then served by Southern California Gas Company, the authority herein granted.

The above certification is subject to the following conditions and not otherwise:

- (1) That Southern California Gas Company shall file with this Commission on or before April 1, 1931, a stipulation duly executed upon authority of its Board of Directors that applicant, its successors or assigns will never claim before the Railroad Commission, or any other body or court, a value for such franchise in excess of the actual cost thereof.
- (2) That Southern California Gas Company shall file with this Commission on or before April 1, 1931, a certified copy of its agreement with Pacific Gas and Electric Company whereunder applicant's natural gas will be transported by Pacific Gas and Electric Company from Kettleman Hills to a point near Hughson.
- (3) Upon the filing in satisfactory form of the stipulation and agreement referred to in Conditions (1) and (2) above, the Commission will issue its supplemental order authorizing the exercise by applicant of the rights and privileges granted by franchise under Ordinance No. 146, of the County of Stanislaus, in so far as such exercise is necessary for this specific project.

The effective date of this order except as otherwise specifically set forth shall be from and after the date hereof.

For all other purposes, the effective date of this order shall be twenty (20) days from and after the date hereof.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 21 day of February, 1931.

C. S. Sweeney  
Leon White  
M. A. Carr  
M. B. Harris  
Fred G. Stewart

Commissioners.