

Decision No. 28638

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of)
SAN DIEGO CONSOLIDATED GAS & ELECTRIC)
COMPANY, a corporation, for a Certifi-)
cate of Public Convenience and Neces-)
sity authorizing the introduction of) Application No. 20,375
natural gas to the City of Escondido,)
the construction of facilities there-)
for, the establishment of rates for)
such service, and to execute fran-)
chise rights when granted by said City.)

ORIGINAL

CARR, Commissioner:

Chickering & Gregory by F. M. Fisk
for Applicant

O P I N I O N

The petitioner San Diego Consolidated Gas and Electric Company seeks permission to substitute, in the area lying within the corporate limits of the City of Escondido, California, the service of natural gas in the place and stead of manufactured or artificial gas which it now serves in that area. ⁽¹⁾ After due notice a public hearing in the matter was held in San Diego on March 5, 1936, at which no one appeared in opposition to the petition.

The evidence discloses that on the 4th day of February 1936 the City Council of the City of Escondido duly adopted Ordinance 312 granting to the petitioner the right, under certain conditions, to "lay, construct, operate, maintain, use, repair, replace and/or remove

(1) This is the only territory in the Company's system now being served with manufactured gas.

gas pipe lines, services, fittings and appliances and appurtenances thereto, in all the public streets, alleys, highways, roads and places in the City of Escondido, State of California, for the purpose of transporting, conveying, distributing and supplying natural and/or artificial gas for heat and power, and all lawful purposes appertaining thereto, for the term or period of fifty (50) years." For this franchise, petitioner paid to the City of Escondido \$270.40. At the hearing it was stipulated by the petitioner that neither the petitioner nor its successors or assigns would ever claim before the Railroad Commission of the State of California or any court or other public authority, a value for the rights granted by said Ordinance No. 312 of the City of Escondido in excess of said sum of \$270.40.

In order to make a supply of natural gas available in the City of Escondido it will be necessary that the petitioner construct a pipe line for the transmission of such gas from a point on its principal transmission line near Oceanside to the area to be served. The cost of constructing such a line is estimated by the petitioner to be the sum of \$69,620. It is proposed to furnish a standby service to the area involved through the installation of an adequate butane plant.

In view of the fact that natural gas has approximately double the heating value of manufactured gas, rates appropriate for manufactured gas are not appropriate, as a rule, for natural gas. In re San Diego Consolidated Gas and Electric Co., 37 C.R.C. 167. The rates deemed appropriate for the natural gas service here proposed, are those contained in the petitioner's schedules N-2 and N-4 now on file with this Commission. These rates are now in effect for natural gas service throughout petitioner's territory with the exception of the "metropolitan district" which includes the cities of San Diego, National City and Coronado.

It is estimated by the petitioner that the service of natural gas at these rates will result in a saving to the consumers in the Escondido territory during the first year, in the sum of

\$5,000 as compared with service of manufactured or artificial gas at the rates now in effect.

O R D E R

The Railroad Commission of the State of California hereby finds and declares that public convenience and necessity require the exercise by San Diego Consolidated Gas and Electric Company of the rights granted to it by Ordinance 312 of the City of Escondido, California, adopted February 4, 1936, and require the service by said company of natural gas in the City of Escondido, and

THE RAILROAD COMMISSION FURTHER FINDS that the rates prescribed in and by San Diego Consolidated Gas and Electric Company's Schedules N-2 and N-4 on file with this Commission constitute just and reasonable rates to be charged, and collected by the petitioner for the service of natural gas in the City of Escondido.

IT IS THEREFORE ORDERED that San Diego Consolidated Gas and Electric Company be and it is hereby authorized so to extend its natural gas service as to serve the territory lying within the corporate limits of the City of Escondido, and

IT IS FURTHER ORDERED that said San Diego Consolidated Gas and Electric Company be and it is hereby authorized to construct from a point on its principal transmission pipe line in the vicinity of Oceanside, California, to Escondido, California, such a pipe line and appurtenances as may be required to make available, in the City of Escondido an adequate supply of natural gas, and

IT IS FURTHER ORDERED that, for the service of natural gas in the area lying within the corporate limits of the City of Escondido, petitioner charge and collect the rates set forth and pre-

scribed in its schedules N-2 and N-4 now on file with this Commission.

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 16th day of March 1936.

W B Harris
Simon Whitley
H. H. Cunn
A. J. ...
Commissioners