OBIGINAL

Decision No. 31480

BEFORE THE RAILFOAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA, a corporation, for a Certificate of Public Convenience and Necessity under Section 50 of the Public Utilities Act, for Authority to Exercise the Franchise acquired from the City of Orange by Ordinance No. 392.

APPLICATION NO. 22284.

LC Roy M. Edwards, for Applicant.

WHITSELL, COMMISSIONER:

## <u>O P I N I O N</u>

Southern Counties Gas Company of California requests a certificate of public convenience and nocessity under Section 50(b) of the Public Utilities Act, authorizing the exercise of the rights and privileges under the gas franchise granted to it by Ordinance No. 392 of the City Council of the City of Orange, adopted on October 4, 1938, a copy of which is attached as Exhibit "A" to the application. Said franchise is for an indeterminate period, adopted pursuant to the Franchise Act of 1937.

Public hearing was held at Orange, California, on November 7, 1938. No one appeared to protest the granting of the application.

According to the testimony introduced on behalf of the applicant, applicant has been rendering gas service to the City of Orange pursuant to a franchise granted by Ordinance No.

-1-

87, dated May 13, 1912, for a term of thirty-five years. Although Ordinance No. 87 does not expire until 1947, applicant states it is advantageous with respect to the sale of its bonds in some states to have franchises with expiration dates later than the maturity dates of the bonds to be issued. It is for this reacon that the applicant desires to secure a new franchise to replace the existing franchise under which it is now operating.

Applicant now renders gas service in substantially all parts of the City of Orange, and no other utility renders like service therein.

Applicant has stipulated that it, its successors or assigns, will never claim before the Railroad Commission of the State of California, or any court or public body, any value for said franchise in excess of the actual cost thereof, which is \$93.80, exclusive of the \$50.00 fee for the filing of the present application.

## O R D E R

IT IS FOUND AS A FACT that public convenience and necessity require, and Southern Counties Gas Company of California is hereby granted a certificate to exercise the rights and privileges granted to it by Ordinance No. 392 of the City of Orange.

This order shall be effective immediately.

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, San Francisco, California, November 2.5, 1938.

-2-