

Decision No. 38921

BEFORE THE RAILROAD 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 Au-  
thority to Exercise the Franchise  
acquired from the City of Lompoc  
by Ordinance No. 353.

ORIGINAL

Application No. 27137

LaRoy M. Edwards by Guy E. Steller for  
Applicant; Carl B. Kuppler, City Attorney,  
for the City of Lompoc.

O P I N I O N

Southern Counties Gas Company of California asks authority to exercise a franchise granted by the City of Lompoc permitting the installation and maintenance of gas facilities upon the streets of said city.

The franchise referred to, a copy of which is attached to the application and marked Exhibit B, was granted by the city in accordance with the Franchise Act of 1937 and is of indeterminate duration. A fee is payable annually to the city equivalent to two per cent of the gross receipts arising from the use of the franchise but not less than one per cent of all sales of gas by Applicant within the city.

The direct costs to Applicant in obtaining the franchise are stated to have been \$97.63.

A hearing on this application was held by Examiner Daly at which no opposition to the granting of the requested authority was manifested.

As this utility has for many years served gas within and about the city of Lompoc without competition, it is evident that the requested authority should be given.

The authority herein granted is subject to the following provisions  
of law:

- (A) That 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) That 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

A public hearing on the application of Southern Counties Gas Company of California having been held, the matter having been considered, it appearing to the Commission and being found as a fact that public convenience and necessity so require, therefore

IT IS ORDERED that Southern Counties Gas Company of California be and hereby is authorized to exercise the rights and privileges granted by the City of Lompoc by Ordinance No. 353, adopted November 6, 1945.

The effective date of this Order shall be the date hereof.

Dated at San Francisco, California, this 7<sup>th</sup> day of May 1946.

Harold Ruden  
Justin F. Casner  
Francis E. ...  
W. H. ...  
Harold H. ...  
Commissioners.