

Decision No. 42055**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of SOUTHERN CALIFORNIA GAS COMPANY, a corporation, under Section 50(b) of the Public Utilities Act for a certificate that public convenience and necessity require the exercise of the rights and privileges granted by Ordinance No. 2212(NS) of the County of Los Angeles, California.

Application No. 29384

T. J. Reynolds and Milford Springer, by
Milford Springer, 810 South Flower Street,
Los Angeles 14, for Applicant.

O P I N I O N

Southern California Gas Company asks for a certificate of public convenience and necessity to exercise a franchise granted by the County of Los Angeles, permitting the construction, maintenance and operation of a 16-inch pipe line upon certain public highways of said county.

The franchise referred to, a copy of which is attached to the application and marked Exhibit A, was granted in February 1933 to the Industrial Fuel Supply Company, then a subsidiary of the Pacific Lighting Corporation, for the construction and operation of a 16-inch gas pipe line approximately one and one-fourth miles in length, near Santa Fe Springs. Southern California Gas Company has obtained this franchise by assignment from Pacific Lighting Corporation, and has received consent to such assignment from the County of Los Angeles by Ordinance No. 5047, dated January 13, 1948.

The franchise was granted in accordance with the Broughton Act, and extends for a period of forty years. It provides for an annual payment of a fee equivalent to 2 per cent of the gross receipts arising from the use, operation and possession thereof. Evidence was presented to show that, based on the revenue of 1947, the pro rata portion of the annual franchise payment on this line would be about \$30.

The costs incurred by applicant in obtaining the franchise are itemized in Exhibit 4 in this proceeding.

A public hearing on this application was held on July 22, 1948, before Examiner Thompson, at which no opposition to the granting of the requested certificate was manifested.

Testimony by applicant's witness indicated that the line operated under the franchise in this application extends 6,246 feet from Pacific Lighting Plant No. 4 southeasterly to connect with the Southern California Gas Company's distribution system on Anaheim-Telegraph Road and was acquired from Pacific Lighting Corporation. No customers are served directly from said line, and its purpose is to function as a feeder main for the distribution system in the Anaheim-Telegraph Road area.

Applicant has filed a stipulation to the effect that, in consideration of the granting of the requested authority, neither it nor its successors or assigns will ever claim before this Commission or any court or other public body a value for this franchise and authority to exercise the same in excess of the actual cost thereof.

The certificate of public convenience and necessity 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 for the grant of such franchise, certificate of public convenience and necessity or right.

O R D E R

Application as above entitled having been filed, a public hearing having been held thereon, the matter having been submitted, the Commission being fully advised in the premises and hereby finding that public convenience and necessity so require,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity is hereby granted to Southern California Gas Company to exercise the rights and privileges granted by the County of Los Angeles by Ordinance No. 2212 (NS), the assignment of which was approved by Ordinance No. 5047, dated January 13, 1948.

The effective date of this order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 21st day of

September, 1948.

R. E. Anderson
James J. Calver
Wesley Lowell
Harold Kulo
Kenneth Potter
Commissioners