Decision Na. 42376

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SEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN COUNTILS GAS COMPANY OF CALIFORNIA 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. 15 of the City of Port Hueneme, California.

Application No. 29771

ORIGINAL

Leroy M. Edwards and Milford Springer, by <u>Milford Springer</u> for applicant.

## OPINION

Southern Counties Gas Company of California in this proceeding asks for a certificate of public convenience and necessity to exercise the rights and privileges of a franchise granted by the City of Port Hueneme, permitting the installation, maintenance and use of a gas distribution and transmission system upon the streets of said city.

The franchise referred to, a copy of which is attached to the application and designated as Exhibit "A", 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, operation, or possecsion of the franchise, but not less than one per cent of all the sales of gas within the limits of such city under said franchise.

The costs incurred by applicant in obtaining the franchise are stated to have been \$240.90, exclusive of the cost of publication of notice of the hearing on this matter.

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A public hearing on this application was held by Examiner Crenshaw at which no objection to the granting of the certificate was manifested.

As this utility has for many years served gas in andabout the City of Port Hueneme without competition it is evident that the certificate applied for should be granted.

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 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.

## <u>ORDER</u>

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 granted to Southern Counties Gas Company of

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California to exercise the rights and privileges granted by the City of Port Hueneme by Ordinance No. 15, adopted August 18, 1948.

The effective date of this order shall be twenty (20) days from and after the date hereof.  $-r\ell$ .

Dated at San Francisco, California, this <u>28</u> day of <u>Accessibles</u>, 194<u>8</u>.

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Commissioners.