

ORIGINAL

Decision No. 42497

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of
SOUTHERN CALIFORNIA GAS COMPANY, a
corporation, for an order authoriz-
ing it to construct and operate an
extension of its system to supply
natural gas service to the Imperial
Valley District.

Application No. 29290

FIRST SUPPLEMENTAL OPINION AND ORDER

By its first supplemental application filed in the above-entitled proceeding, Southern California Gas Company seeks a certificate of public convenience and necessity to exercise the franchise it has obtained from the City of Westmoreland, Imperial County, for the installation, maintenance and use of a gas distribution system in that city.

The Commission's Decision No. 41706, rendered on June 15, 1948, after hearing upon this application and a number of others filed by Southern California Gas Company for authority to render natural gas service in the County of Imperial, granted it certificates to exercise franchises already granted by the County of Imperial and by the Cities of Holtville, Calipatria and Imperial. A franchise from the City of Westmoreland had been applied for but not yet obtained. The Commission's order granted Southern California Gas Company a certificate to render natural gas service in that city subject to its securing the franchise applied for. Accordingly, the Commission's Decision No. 41706 may be taken as the finding required by Section 50(c) of the Public Utilities Act that it will thereafter issue a certificate to exercise the franchise when procured. No further hearing is necessary.

The franchise of the City of Westmoreland submitted with this first supplemental application was issued on July 12, 1948 by Ordinance No. 59 of said city. It is a franchise granted in accordance with the Franchise Act of 1937 and is of indeterminate duration.

A fee is payable annually to the city equivalent to 2% of the gross receipts arising from the use, operation, or possession of the franchise, but not less than 1% of 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 \$54.65, which are set forth in stipulation designated as Exhibit "C" attached to and made a part of the supplemental application.

Applicant has stated in its First Supplemental Application that the main pipe line from Desert Center to Calexico through the Imperial Valley has been constructed and the Cities of Brawley, El Centro and Calexico are now receiving natural gas service; further, that the City of Westmoreland, as well as other towns in the Imperial Valley, will be served with natural gas in the reasonably near future.

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.

IT IS HEREBY ORDERED that Southern California Gas Company is issued a certificate of public convenience and necessity authorizing the exercise by it of the rights and privileges conferred by the City of Westmoreland by Ordinance No. 59, adopted July 12, 1948.

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

Dated at San Francisco, California, this 8th
day of February, 1949.

R. Z. [Signature]
Justus J. [Signature]
[Signature]
[Signature]
[Signature]
Commissioners