ORIGINAL

Decision No. 47978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN CALIFORNIA GAS COMPANY, a corporation, under Sections 1002 and 1005 of the Public Utilities Code, for a certificate that public convenience and necessity require the exercise of the rights and privileges granted by Ordinance No. 2564 of the City of Glendale, California.

Application No. 33773

Harry P. Letton, Jr., for applicant.

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

Southern California Gas Company 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 Glendale, permitting the installation, maintenance, and use of a gas distribution and transmission system in the streets of said city. A public hearing was held before Commissioner Huls and Examiner Crenshaw on October 31, 1952 at Los Angeles.

The franchise referred to, a copy of which is attached to the application and designated as Exhibit "A", was granted June 26, 1952 by the city in accordance with the Franchise Act of 1937, and is for a term of 25 years. 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 gross annual receipts from sales of gas within the limits of the city whether under this franchise or under any franchise owned by grantee and derived under Section 19 of Article XI of the Constitution of California, as said section existed prior to its amendment on October 10, 1911.

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The costs incurred by applicant in obtaining the franchise are stated to have been \$125.51, which amount does not include costs incident to this application.

No objection to the granting of the requested certificate has been entered. Furthermore, this utility or its predecessors for many years have served gas in and about the City of Glendale without competition. As of December 31, 1951, applicant served gas through 35,665 active meters within the city from approximately 251.97 miles of gas distribution mains.

According to the record this new franchise supersedes franchises granted by the City of Glendale under Ordinances Nos. 212 and 404 and franchise granted by Ordinance No. 52 of the City of Tropico, now a part of Glendale. This new franchise also supersedes those portions of franchises granted by County of Los Angeles Ordinances Nos. 240, 295, 331, 463, 515 and 630, covering areas in the City of Glendale in which applicant operated pipe lines.

The certificate of public convenience and necessity herein granted is subject to the following provisions of law:

- 1. 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.
- 2. 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.

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Q R D E R

The above-entitled application having been filed, a public hearing having been held, the matter having been submitted and now being ready for decision,

IT IS HEREBY FOUND AS A FACT that public convenience and necessity require the exercise by applicant of the right, privilege and franchise granted to applicant by Ordinance No. 2564 of the City of Glendale.

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and is granted to Southern California Gas Company to exercise the rights and privileges granted by the City of Glendale by Ordinance No. 2564 adopted June 26, 1952.

The effective date of this order shall be twenty (20) days after the date hgreef \int

Economics, California, this 2nd day of Dated at Nom tee) , 1952.

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